

ARTICLES of AGREEMENT

BETWEEN

**WCEU/USW Local 407
USW Local 219
USW Local 12-6**

AND

**AERA ENERGY SERVICES
COMPANY**

January 31, 2026

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ARTICLES OF AGREEMENT

- 1 This Agreement made and entered into by and between the WCEU/USW Local 407, USW Local 219, and USW Local 12-6 hereinafter referred to as "Union," for and on behalf of employees set forth in Article I, and Aera Energy Services Company or Aera Energy LLC should it become the employer of the employees of Aera Energy Services Company, hereinafter referred to as "Company."

WITNESSETH:

ARTICLE I

RECOGNITION AND COVERAGE

- 2 The Company recognizes and acknowledges the Union as the exclusive representative of those employees of the Company at Aera's field locations referred to in this Article for the purpose of collective bargaining with respect to rates of pay, wages, hours of work, and other conditions of employment.
- 3 This Agreement shall apply to:
 - (a) Those employees of the Company (hereinafter referred to as: "employees" or "employee") in the State of California which were covered by the collective bargaining agreement in place between the Heavy Oil Business Unit of Mobil

Exploration and Producing U.S. and the West Coast
Independent Union effective May 16, 1996.

(b) Those employees of the Company (hereinafter referred to as: "employees" or "employee") in the State of California which were covered by the collective bargaining agreement in place between CalResources LLC and Kernridge Employees' Association effective April 1, 1996.

- 4 The classification of employees presently covered by terms of this Agreement are shown on Exhibit A attached and made a part hereof.
- 5 The Company shall retain all rights of management, direction, and determination of its working forces, provided that it shall not act in conflict with the provisions of this Agreement.

ARTICLE II

MEMBERSHIP IN UNIONS

- 6 1. There shall be no discrimination of any kind against any employee by either the Company or the Union because of employee's membership or non-membership in the Union.
- 7 2. The Union agrees that neither it nor any of its officers or members will intimidate or coerce employees into membership in the Union.

- 8 3. Likewise, the Company agrees there shall be no discrimination, interference, restraint, or coercion by the Company or its representatives against any employee because of membership in the Union, or because of any lawful activities carried on in behalf of the Union.
- 9 4. There shall be no discrimination, interference, restraints, or coercion by the Company or the Union or by either of their agents against any employee because of membership or non-membership in the Union or any fraternal or religious organization or because of sex, age, race, creed, color, or national origin.
- 10 5. Likewise, the Company agrees, provided accepted procedures are followed by the employee, the Company will not discriminate against any employee or elected representative of the Union because of any lawful activities carried on behalf of the Union.

ARTICLE III

MAINTENANCE OF MEMBERSHIP

- 11 1. Employees who on or after (a) the thirtieth (30th) day following the effective date of this Agreement, or (b) the thirtieth (30th) day after their employment, whichever is later, or become members of the Union shall, as a condition of employment, maintain their membership in the Union in good standing for the duration of this Agreement. Employees who are members of

the Union in good standing on the expiration date of this Agreement shall have the right for a period of fifteen (15) days after the expiration date in which to resign from the Union and upon resignation the condition of employment shall cease to apply. The resignation will be made by written notice to the Secretary of the Union by Certified Mail.

- 12 2. For the purpose of this Agreement a member of the Union who has tendered the periodic dues and the initiation fees uniformly required as a condition of membership shall be deemed to be a member of the Union in good standing.
- 13 3. The Union, its officers, and members shall not intimidate or coerce employees into joining the Union or continuing their membership therein.
- 14 4. For a period of fifteen (15) consecutive days commencing on the date this Agreement becomes effective, there shall be posted upon all bulletin boards a verbatim copy of this Section.
- 15 5. If any dispute arises under the provisions of this Article, the dispute may be submitted for determination by arbitration as provided in this Agreement.
- 16 6. The Company shall deduct from the wages and turn over to the proper officers of the Union the initiation fees and Union dues for employees who individually and voluntarily certify in writing that they authorize such deductions. Employees may revoke their authorization at any time upon written notice to the Union and to the Company. Employees who elect to revoke

their authorization as provided above are still obligated to pay dues to the Union unless they resign from the Union during the period provided for under the other provisions of this Article.

ARTICLE IV

STRIKES

- 17 1. The Union hereby agrees there shall be no strike, stoppage, slowdown, sympathy strike, or other intentional interference with production or work for any reason whatsoever during the life of the Agreement, provided, if a Board of Arbitration, under the provisions of Article XII, shall determine the Company has violated any terms of this Agreement and the Company does not conform to the award of the Board within ten (10) days after the date thereof, the Union may strike.
- 18 2. The Company agrees there shall be no lockouts for any reason whatsoever.

ARTICLE V

OVERTIME AND TIME ALLOWANCE

- 19 1. Overtime for all employees is extra earning time and comparable time-off will not have to be taken.

- 20 2. Overtime at the rate of one and one-half (1.5) times the regular rate of pay shall be paid for all time worked under the following conditions:
- 21 (a) In excess of regular schedule in any one day. All consecutive hours worked in excess of 12 hours is subject to two (2) times the employee's rate of pay.
- 22 (b) In excess of forty (40) hours at straight time in any workweek. Labor Management meetings called by the Company or any designated holiday whether worked or not, shall be included in the computation of the forty (40) hours, except when the holiday occurs on one of the employee's regular days off.
- 23 (c) On any shift which begins less than sixteen (16) hours for regular scheduled employees on eight (8) hour shifts, fifteen (15) hours for regular scheduled employees on nine (9) hour shifts, fourteen (14) hours for regular scheduled employees on ten (10) hour shifts, twelve (12) hours for regular scheduled employees on twelve (12) hour shifts (unless overtime is involved, and excluding time allowed) from the end of the employee's previous shift.
- 24 (d) On an employee's regular day off provided the employee has worked 40 hours in the workweek as specified in subsection (b) above.
- 25 (e) For the first day or shift to which an employee is changed from one regular daily schedule to another regular daily

schedule without forty (40) hours prior notice of the change, except when the change results from conditions beyond the control of the Company. It is understood a regular daily schedule within the meaning of this Article normally means a prearranged workweek of eight (8) hours per day, nine (9) hours per day, ten (10) hours per day or, twelve (12) hours per day.

- 26 (f) Overtime will always be paid for continuous, consecutive hours worked in excess of 24 hours at two (2) times the employees' rate of pay.
- 27 3. Employees required to report for work on their regular shift will be guaranteed not less than four (4) hours' pay at the rate of the job for which they were required to report. If overtime rates are applicable, the employee shall be paid the overtime rates.
- 28 4. Employees sent home because, in management's opinion, they are not fit to work after having worked extended overtime, will be paid for their regular scheduled hours for the balance of that shift at their normal straight time wage rate.

5. Call-Out Pay:

- 29 Employees called from home to report to the worksite for business needs outside their regular working hours will receive pay for actual time worked, with a minimum of five (5) hours at one and one-half (1.5) times their regular rate with a maximum of two (2) call-outs. In the event of additional call-outs in the

same workday, the employee will be paid at one and one-half (1.5) times for actual time worked. When the work is contiguous to an employee's regular working hours, pay will be limited to actual time worked. Mileage allowance under this Section shall be paid at the established Company rate per mile for actual mileage driven with the maximum mileage not to exceed 100 miles round-trip per occurrence.

6. Travel Time Allowance:

- 30 Travel time allowance will not be given when affected employees are required to work a regular shift on their day off, provided an advance notice of not less than twelve (12) hours has been given by the Company.

7. Meal and Safety Shoe Allowance:

- 31 The Company will pay each employee an annual allowance of \$760 to be paid in a lump sum on a regular payroll check in March of each contract year.

An employee off work 1040 hours or more in the rolling 12 months prior to the time of payment will be ineligible.

- 32 8. Under no circumstances shall employees be required to work more than eighteen (18) consecutive hours without their consent.

- 33 9. Employees who as part of their work are required to drive a Company vehicle to and from the job shall be paid for the day's work from the time they leave home or central location designated by the Company until they return the vehicle to home or central location. If time is in excess of regular schedule, usual overtime provision prevails. This paragraph shall not apply when employees are furnished a Company vehicle for transportation purposes only to and from home or central location.
- 34 10. Employees required to pick up or return tools or Company equipment, or clean tools (personal or Company) or Company equipment, will be allowed a reasonable time with pay.
- 35 11. For the purpose of computing overtime under Article V, employees working any part of the first thirty (30) minutes of any overtime hour shall be considered as having worked one-half (1/2) hour, and employees working more than thirty (30) minutes of any overtime hour shall be considered as having worked one (1) hour.
- 36 12. When overtime work is required, the Company will try to consider the personal desires of employees, availability of other employees qualified to perform the work and urgency of the work to be performed. Whenever feasible, the Company will attempt to give sufficient advance notice of assignment to overtime work to alleviate as much inconvenience to employees as possible.
- 37 13. There shall be no pyramiding or duplication of overtime pay.

- 38 14. To the extent possible, the payment of overtime should be kept within the classification of the work to be performed.
- 39 15. If the work may be performed using employees at straight time rates, the Company may assign employees to avoid or minimize the payment of overtime.

16. Distribution of Overtime:

- 40 If the work cannot be performed at straight time rates and overtime work is required, overtime will be distributed to regular qualified employees within the same classification as the work to be performed. For purposes of unscheduled overtime (less than 40 consecutive hours notice) distribution under this Article, SRS (Lead) and RS will be considered the "same classification". The preference will be given for overtime work and call-out purposes as follows:
- 41 (a) Senior qualified employees who are available on the lease will be given preference over those on days off or having departed or not yet arrived at the lease;
- 42 (b) Employees working on a job will be allowed to finish the job in a continuous shift and be given preference over other employees not working on the same job;
- 43 (c) In emergency call-out situations, employees who reside a relatively substantial distance from the lease compared to other employees who reside relatively closer to the lease,

the employees residing closer to the lease may be given preference for emergency call-out. Non-emergency call-outs shall be distributed in accordance with subsection (d) below;

- 44 (d) In the absence of any of the above preferences, the overtime or call-out work will be distributed first, to regular, qualified employees within the same classification; second, by seniority; third, to any available employee.
- 45 (e) A call out list, following the references outlined in this Article, will be provided by the Union. In no case will the Company pay for time not worked in the case where the employee is inadvertently bypassed for a call out. The bypassed employee will be given preference of the next call out.
- 46 17. In any event, employees are obligated to comply with requests from their supervisor to work overtime.

ARTICLE VI

ROTATION OF SCHEDULES

- 47 1. In order that equitable working conditions are observed, shift employees will normally rotate shifts and the period of rotation may be determined by majority vote of employees affected with approval of the Company. Changes shall be made only at reasonable intervals.

- 48 2. Shift employees shall have the privilege of exchanging shifts within same workweek by individual arrangement, provided: (a) their supervisor's consent is first obtained, and (b) the change can be accomplished without additional cost or penalty to the Company.
- 49 3. Regular daily schedules for employees in various classifications and in supervisors' areas may vary due to the nature of the work requirements to which they are assigned. Employees will be appropriately notified of prearranged schedules, and a summary of the basic schedules of hours for the various Managers of Operations' areas will be mailed to the Union at least once annually.
- 50 4. Schedules may be changed for more efficient operation or for furnishing relief in filling temporary vacancies, subject to the overtime provisions included in Article V.
51. 5. Employees assigned to consecutive shift operations only, maintained on a twenty-four (24) hour basis and requiring direct relief for each of the three (3) shifts, shall be permitted twenty (20) minutes on the job to eat their lunch. Employees on twelve (12) hour shifts shall be permitted thirty (30) minutes to eat their lunch on-the-job. All other employees shall be allowed a scheduled thirty (30) minute, unpaid lunch period.

ARTICLE VII

WAGE RATES AND CLASSIFICATIONS

- 52 1. A schedule of minimum hourly rates for the various classifications of labor as set forth in Exhibit "A" attached hereto is made a part hereof. It is agreed that said rates shall not be reduced during the life of this Agreement, except by mutual agreement of the parties through collective bargaining procedure.
- 53 2. The Company shall pay its employees biweekly with adjustments made every subsequent payday, not less than the applicable hourly wage rates set out in the attached Exhibit "A" for the particular work performed.
- 54 3. Hourly paid employees working one (1) or more hours during their regular shift in a higher classification will be paid for actual hours worked at the rate established for the higher classification to which they are assigned.
- 55 4. If, for the convenience of the Company, employees assigned to fill temporary vacancies at a higher rate of pay than their regular rate are removed from temporary vacancies to fill other temporary vacancies, they shall continue to receive the rate of pay applicable to the former vacancies during the break-in period.
- 56 5. Hourly employees temporarily required to perform the duties of a lower classification will receive no reduction in wages.

However, this will not limit the payment of different rates to employees regularly occupying various classifications. For example, employees performing the work of Reliability Specialist for three (3) days a week and Sr. Reliability Specialist for two (2) days a week will be paid the rate assigned to each classification and not the Sr. Reliability Specialist pay alone.

- 57 6. Pay for time off under any Company benefit plan or paid leaves of absence shall be at the wage rate of the employee's regular classification. In the event an employee has been relieving in a higher rate of pay classification for two (2) weeks or more immediately prior to the time off, then he will be paid at the wage rate of the higher classification.

7. Maintenance of Rate:

- 58 Regular employees displaced from a permanent classification as a result of job elimination by Company action and all other permanent employees subsequently displaced from a classification as a result of such action shall, provided they have been assigned to the classification for thirteen (13) weeks or more, continue their base rate after they assume the duties of the lower classification in accordance with the following formula:

0 to one year service - None

One year through 14 years' service - 26 consecutive calendar weeks

15 years or more - 26 weeks plus one additional week for each year of service up to a maximum of 52 weeks.

- 59 8. This section shall not apply to employees who are terminated for any reason, except for employees who are reinstated as a result of the grievance procedure under Article XII of the Agreement. In that event the employee shall be due the remaining weeks of maintenance of rate. Maintenance of base rates under this section will have no effect on the seniority provision of this contract.

ARTICLE VIII

SHIFT DIFFERENTIALS

1. Rotating Operations:

- 60 (a) Employees assigned to work on rotating shifts scheduled for around-the-clock coverage will be paid shift differentials for hours actually worked as follows:

Twelve Hour Schedules

Daylight Shift (6:00a.m. - 6:00p.m.) .. \$0.00/hr.

Night Shift (6:00 p.m. - 6:00 a.m.)..... \$2.00/hr.

- 61 (b) On rotating shifts scheduled for around-the-clock coverage, the Company will pay sixteen (16) hours of applicable shift differential.
- 62 (c) Employees performing direct shift relief work in continuous operations will be paid the applicable shift differential for the hours actually worked which fall within a designated shift.

2. Non-rotating Operations:

- 63 In operations not filled on a twenty-four (24) hour rotating shift basis; shift differentials will be paid based on the clock hours actually worked as indicated below:

Twelve Hour Schedules

Daylight Shift (6:00a.m. - 6:00p.m.) .. \$0.00/hr.

Night Shift (6:00 p.m. - 6:00 a.m.)..... \$1.50/hr.

Subject to the following:

- 64 (a) Shift differentials shall not be paid for any periods of work, which begin and end on or between 6:00 a.m. and 6:00 p.m.
- 65 (b) Shift differentials shall not be paid for any overtime hours worked contiguous to a scheduled daylight shift defined as any shift scheduled to begin and end between 6:00 a.m.

and 6:00 p.m.) provided the overtime hours constitute less than a complete shift. In the event a complete additional shift is worked, the appropriate shift differential will be paid for the entire additional shift.

3. General Provisions:

- 66 (a) Shift differentials shall not be used in determination of payments to employees under any of the benefit plans of the Company, except as may be specifically provided in those plans.
- 67 (b) When an overtime rate applies and a shift differential applies, the overtime rate shall also be applied to the shift differential.
- 68 (c) Shift differentials will be included in computing pay for disability leave, vacation, funeral leave, and jury service.

ARTICLE IX

HOLIDAYS

- 69 1. The following ten (10) holidays will be recognized:

New Year's Day
Memorial Day
Independence Day
Labor Day

Thanksgiving Day
Day after Thanksgiving
Christmas Day
Two (2) Employee Elective Holidays
One holiday to be designated by the Company

- 70 The Employee Elective Holiday may be taken at the discretion of each employee provided approval of the employee's immediate supervisor has been obtained at least one (1) week in advance of the scheduled work time for which the employee is taking the Elective Holiday(s). Where multiple requests are made for the same day off, operating needs will control which employee(s) will be granted the Elective Holiday for that day.
- 71 2. All work performed by employees at the request of the Company on any of the above designated holidays shall be paid for at one and one-half (1.5) times the straight time rate of pay including applicable shift differentials, and in addition, employees will receive regular scheduled hours at their straight time rate. Work performed in excess of regular scheduled shift will be paid as follows:
- 72 (a) Regular twelve (12) hour shifts - two (2) times the straight time rate;
- 73 (b) All other shifts - one and one half (1.5) times the straight time rate unless work over 12 hours and then double time applies.

- 74 3. There shall be no pyramiding of overtime and/or premium pay.
- 75 4. Employees who are on a regular daily schedule will observe the same holiday schedule and related procedures generally applicable to staff employees. Those employees who are on shift work will observe the holidays on the calendar on which they fall.
- 76 5. Employees shall be entitled to regular scheduled hours at their straight time rate excluding shift differentials for holidays on which the employee is not required to work.
- 77 6. Employees who do not work their last complete scheduled work day prior to and their first complete scheduled work day after the holiday, shall not receive holiday pay. If the employee has an excused absence and is in full or partial pay for these days, the employee is eligible for the type of pay he/she is receiving for the excused absence (except in the case of vacation where the day will be recorded as a holiday and not vacation).
- 83 7. Holidays other than those specified shall not be affected by any provision of this agreement.

ARTICLE X

VACATIONS

1. Vacation Eligibility - Calendar Year Accrual – Effective January 2, 2010

84 (a) Earned vacation entitlement for all full-time employees will be the common date of January 1 and vacation will be earned on a calendar year basis. Vacation will be earned in accordance with the following schedule:

85	Service Anniversary Attained During Calendar Year	Vacation Entitlement for the Calendar Year (Accrued Monthly)
	1 st – 19 th	160 hours
	20 th – 29 th	200 hours
	30 th +	240 hours

86 (b) An employee with vacation entitlement of greater than 5 weeks as of June 1, 1997 shall retain that entitlement.

87 (c) Full-time employees with a hire date prior to January 1, 2010 will be grandfathered with 160 hours of vacation until their 20th year of service.

2. New Hire Vacation Eligibility

- 88 (a) Full-time employees with a hire date of June 1, 1997, or later, may take vacation immediately upon employment. As of January of the calendar year following employment, these employees will be eligible to take the full calendar year's vacation entitlement. Regardless when an employee is hired during a month (first throughout the last day of the month), the employee will get full credit for that month. Vacation entitlement for a new employee will be prorated by the following formula:
- 89
$$\frac{(\text{Number of months employed for the current year}/12) \times 160}{\text{vacation hours}}$$
- 90 (b) Employees hired/rehired on or before June 1, 1997, will sign the "Employee Authorization for Deduction From Wages" form.
- 91 3. Vacations may be scheduled and taken at such times during a calendar year, January 1 through December 31, as shall be designated by the Company and must necessarily be dependent upon operating conditions. In so far as is practicable, the Company will give consideration to the request of each employee for the time of their vacation, taking into account operating conditions and their personal situation, including seniority, children of school age, and other personal factors. A vacation is due an employee at the end of each service year. However, the vacation earned for the service year ending within any calendar year will be given in that calendar year.

- 92 4. Vacations can be accrued according to Company guidelines. Requests will be approved to the extent that operations will permit, and the Company reserves the right to deny such requests if, in its judgment, operations do not permit.
- 93 5. When a recognized holiday as defined in Article IX occurs while an employee is on vacation, he shall receive an extra day of paid vacation or, at the Company's option, a day's pay in lieu thereof at their vacation pay allowance rate.
- 94 6. An employee who leaves the Company for any reason shall be paid for all vacation earned but not taken and fractions of a year shall be prorated.
- 95 7. Employees may schedule their annual vacation in increments of less than one week, provided there is no increase in cost to the Company, Company operations will not be hindered, and prior supervisory approval is obtained.
- 96 8. Vacations will be scheduled from January 1 through December 31 so far as practical, according to operating needs. Employees will be given the opportunity to express their preference for a vacation period by February 15 of each calendar year. So far as practical, the Company will take employees' requests in account when scheduling vacations, but operating needs will control when they may be taken.
- 97 9. Employees will be advised of their vacation date as far in advance as feasible. In order to distribute the benefits of vacations most equitably among employees, in even numbered

year's preference of vacations will be given to employees on the basis of seniority, and in odd numbered years by seniority to employees with children ages five (5) to seventeen (17) years, inclusive, on January 1. Preference of vacations shall not apply in two (2) consecutive years except where an employee's status has changed between years.

- 98 10. Vacation pay shall be calculated at the regular base pay rate, which excludes overtime (except overtime that occurs as part of an established normal work schedule), bonuses, commissions, living or other special allowances.
- 99 11. Where a sickness or accident disability leave is allowed by the Company and the leave is in effect at the scheduled start of a vacation, the vacation may be postponed with approval of the Company. When sickness or accident disability occurs during the vacation, the remaining days of the vacation may be extended or postponed, with the approval of the Company. In either case, proper notification shall be given to the Company promptly at the beginning of the sickness or accident disability.

ARTICLE XI

SENIORITY

- 101 1. In case of promotions, demotions, lay-offs, recalls, and transfers, the following factors shall be considered and where factors (b) and (c) are approximately equal, factor (a) shall govern:

- (a) Seniority
- (b) Ability
- (c) Fitness

102 2. Seniority is defined as: Continuous active service in any classification listed on Exhibit A dated from the time the employee last entered the department except as provided in this Article.

103 Seniority rights for employees transferred to coverage of this agreement from another Mobil, Shell, or Aera bargaining unit will be based on seniority rights extended by such bargaining unit to employees covered by this agreement. Such employees will be ineligible to bid on job vacancies, as defined in Section 8 of this Article, for a period of three (3) months from the date they enter the department.

104 **In addition, employees shall be credited with time lost under the following conditions:**

- 105 (a) Time lost due to jury duty, or serving as a witness under court subpoena.
- 106 (b) Time lost due to layoffs, no one of which exceeds twelve (12) months.
- 107 (c) Time lost due to personal non-occupational illness, or to non-industrial injury if covered by approved leave or leaves of absence.

- 108 (d) Time lost due to occupational illness or to industrial injury, regardless of duration.
- 109 (e) Time lost due to leaves of absence granted under the Universal Military Training and Selective Service Act.

Seniority shall cease upon:

- 110 (a) Discharge.
- 111 (b) Voluntary resignation.
- 112 (c) Failure to respond to a notice to return to work after a layoff as provided in Section 5 of this Article.
- 113 (d) Layoff or termination for a physical disability for twelve (12) months or more in one continuous period.
- 114 (e) Failure to return to work within fourteen (14) days after the expiration of an approved leave of absence.

3. Probationary Period:

- 115 New employees will be subject to all provisions of this Agreement (unless specifically excluded) except their termination during the first twelve (12) months of employment shall not be subject to the Grievance Procedure unless a violation of this Contract has been made.

4. Relatives:

- 116 Employment of employee relatives will be handled consistently with the company's "Employment or Retention of Relatives Policy."

5. Layoffs:

- 117 Recommendations for layoffs shall be made by the supervisor and final action taken by the manager directing the operations. The action, except for incompetence and misconduct, shall be based on seniority, ability, and fitness, provided there is an employee in this department available and capable of performing the duties of the employee to be laid-off.

6. Recall from Layoff:

- 118 (a) Laid-off employees covered by this Agreement shall be given reemployment priority for a period of twelve (12) months based on ability, fitness, and seniority in accordance with the terms of Section 1 of this Article.
- 119 (b) Each calendar quarter the Company shall send a "Certificate of Layoff Registration" to each employee on a layoff status in order to determine if the employee desires to continue their eligibility for recall. Such a certificate will be sent to the employee's last known address and must be returned within thirty (30) days from the date of mailing. Failure to return the certificate will result in a loss of all recall rights.

- 120 (c) A recall notice shall be given by either e-mail or certified mail to the address last on file with the Company. Laid-off employees shall respond promptly to the recall notice whether or not they desire the job. If a laid-off employee does not report for work within fourteen (14) days from the date the recall notice was given, the laid-off employee shall forfeit their recall preference rights.
- 121 (d) If laid-off employees do not respond to the recall notice, the Company may employ any other employee to fill the vacancy. Any person may be employed temporarily until the vacancy is filled.

7. Vacancy Discontinuance:

- 122 The Company will post a notice of the discontinuance of a permanent vacancy which is not to be posted for bid; the posting to be made within fifteen (15) days of the vacancy becoming open. The notice of discontinuance of a vacancy shall include the reasons for such discontinuance.

8. Vacancy Postings:

- 123 (a) Where the Company determines there is a vacancy in any classification shown on Exhibit A, that is to be filled by the posting and bidding procedure, and the vacancy is not of a temporary nature, nor due to vacations, leaves of absence, or reserved for employees undergoing special training; notice of the vacancy shall be posted within fifteen (15)

days on appropriate bulletin boards. The bidding period will end fourteen (14) days from the date of the notice.

- 124 (b) Any Sr. Reliability Specialist vacancy, or other classification vacancy working a twelve (12) hour schedule, that is not of a temporary nature, shall be posted.
- 125 (c) The Company may cancel the posting if it later determines a vacancy no longer exists. The notice of cancellation of the posting shall be posted generally giving the reasons within fifteen (15) days.
- 126 (d) The notice shall generally describe the nature of the work, and any job requirements relating to physical requirement, experience, education or other factors properly applicable to the job.

9. Vacancy Bidding:

- 127 (a) Employees may make application for vacancies, using the forms and following the rules of procedure as may be prescribed by the Company.
- 128 (b) An employee going on vacation may complete and submit a bid, in advance, specifying the vacancy in the Manager of Operation's area desired.
- 129 (c) Employees awarded a vacancy as outlined in Section 11 of this Article in the prior twelve (12) months will be

restricted from bidding on a new posted vacancy as defined in Section 8 of this Article.

- 130 (d) Probationary employees as defined in Section 3 of this Article shall be restricted from bidding as defined in Section 8 of this Article during the first twelve (12) months of employment.
- 131 (e) An employee may withdraw the bid with written notice to their supervisor by the expiration of the bidding period. If the employee is applying for more than one posted vacancy at a time, the employee must state their preference of choice (i.e., 1st choice, 2nd choice, 3rd choice) on the application form.

10. Eligible Bidders:

- 132 Any employee covered by this Agreement is eligible to bid on a vacancy posted in another Manager of Operations' area, or Sr. Reliability Specialist vacancy, or other classification vacancy working a twelve (12) hour schedule within their area, except for employees temporarily affected by the following sections may not:

Article XI.9(c) – Employees awarded a vacancy in the prior twelve (12) months

Article XI.9(d) – Probationary employees (new employees).

Article XI.11(b) – Employees awarded a lower paid classification.

Article XI.11 (f) – Employees who resign from a higher classification.

Article XI.11 (g) - Employees receiving a “1” rating for the most recent performance period will be prohibited from the bidding process until 90 days after successful completion of the Performance Improvement Plan (PIP).

11. Vacancy Awarding:

- 133 (a) The Company shall select employees to fill such vacancies from qualified applicants on the basis of seniority, ability, and fitness in accordance with the terms of Section 1 of this Article.
- 134 (b) An employee selected to fill a vacancy through the bidding procedure to a lower paid classification will not be eligible to bid on another job for a period of twelve (12) months.
- 135 (c) If a vacancy has been posted and no qualified applicant bids on the vacancy, anyone may be selected without regard to this Article.
- 136 (d) All applicants for the vacancy posted shall be notified of the final selection within twenty-one (21) calendar days from the date of closing of bids. The successful applicant will, within twenty-one (21) days after the notification of final selection, be placed on the new assignment or will after the twenty-first (21st) day be changed to the new rate of pay unless the employee is prevented from reporting for the new assignment for reasons beyond the control of the

Company. In the event applicants with more seniority are not selected for the vacancy, they will be given the reason in writing upon request.

- 137 (e) Applicants who are awarded a posted vacancy shall not be permitted to decline the new assignment and return to their former assignment occupied prior to being awarded the posted assignment.
- 138 (f) Employees shall be permitted to resign from a Sr. Reliability Specialist classification and request reassignment to the Reliability Specialist classification within their current or other Manager of Operation's areas upon mutual agreement between the Company and the Union. The Company shall, in this case, honor the employee's request when a Reliability Specialist vacancy exists. Employees who are returned to the Reliability Specialist classification shall be restricted from bidding or filling temporary vacancies for a period of three (3) months from the date of reassignment.
- 139 (g) Request for transfers and demotion to Reliability Specialist must be in writing, must specify the Demotional Area desired, and must be renewed in writing in each calendar year in order to be considered an active request. In the event multiple employees make requests for one Reliability Specialist vacancy, the selection will be made in accordance with the provisions of Section 1 of this Article.

12. Unable to Demonstrate Ability:

- 140 An applicant, within six (6) months of filling a vacancy, determined by the Company not qualified, shall be reassigned within the Manager of Operation's area or to previous classification in the current asset.

13. Demotional or Backtracking Areas:

- 141 (a) A demotional or backtracking area will consist of any one of the following Manager of Operations areas:
Manager of Operations - Coalinga/San Ardo
Manager of Operations – IOCC
Manager of Operations - STPR
Manager of Operations - Valley Energy
Manager of Operations - Valley Treating
Manager of Operations - Valley Wells
Manager of Operations - Ventura
- 142 (b) Whenever the Company determines a reduction in workforce is appropriate in a demotional area, the Company will provide written notice fifteen (15) calendar days prior to the effective date. The notice of reduction shall include the reasons for such reduction. The employee with the least seniority in the same classification in the same demotional area shall be designated as the surplus employee. The demotional rights of the surplus employee are listed in Section 15 of this Article.

- 143 (c) It is recognized that as conditions change, it may become necessary from time to time to add to or delete from the demotional or backtracking areas.

14. Consolidation, Regrouping, or Expansion:

- 144 Consolidation – Combining jobs causing a reduction in the number of either 12 hour or 9/80 positions in a Manager of Operations area.
- 145 Regrouping - Combining jobs with no reduction in the number of either 12 hour or 9/80 positions in a Manager of Operations area.
- 146 Expansion - Redistribution of work resulting in either additional 12 hour or 9/80 positions in a Manager of Operations area.
- 147 (a) When Consolidation, Expansion or Regrouping occurs, due to the reassignment of equipment responsibility to a different MO area, the person associated with the equipment will transfer to the respective area.
- 147 (b) When Consolidation or Expansion, as defined above, occurs in a Manager of Operations area, the resulting positions will be filled in accordance with the terms of Section 1 of this Article. However:
- 148 (a) No employee will be allowed to fill a resulting vacancy in a higher classification (increase in pay).

- 149 (b) An employee who can retain classification by selecting one of the remaining vacancies must do so.
- 150 (c) An employee unable to retain classification may fill a resulting vacancy in a lower classification (decrease in pay), or the employee may exercise Backtracking Rights in accordance with the provisions of this Contract.

15. Demotion or Backtracking Procedure:

- 151 An employee entitled to backtrack or demote under this Article may either backtrack or demote to any area covered by this Agreement.
- 152 The employee (including Reliability Specialist) may, if qualified, displace an employee with less seniority who:
- 153 (a) Is in the same or lower-paid classification; and
- 154 (b) Has the least seniority in the classification involved.
- 155 Only the base rates set forth in the attached Exhibit A shall determine whether the displaced employee is in the same or lower-paid classification.
- 156 In applying the provisions of Section 15 of this Article, refer to Section 1 of this Article.
- 157 If there is a vacancy in the classification and backtracking or demotional area in which the employee chooses to backtrack or

demote, employee will fill the vacancy rather than displace the junior employee.

- 158 In the event it becomes necessary to backtrack or demote two or more employees at the same time, the senior employee shall exercise backtracking or demotional rights first followed by each of the affected employees consecutively in the order of their seniority.
- 159 Before electing to exercise their demotional or backtracking rights, employees shall be informed to the extent known by the Company on the total number of vacancies and demotional or backtracking areas to be affected by the Company's implementation of the demotional or backtracking procedure.

16. Temporary Vacancies:

- 160 A temporary vacancy shall be considered to exist when there is a vacancy as a result of a vacancy award, retirement, death, discharge, resignation, scheduled vacation, absence due to illness, or other leaves of absence approved by the Company. The Company will determine whether or not it is necessary to fill a temporary vacancy.
- 161 Established relief for the Sr. Reliability Specialist, if available, will normally be the senior qualified Reliability Specialist within the same Manager of Operation's area.

- 162 Established relief for the Reliability Specialist, will normally be the senior available qualified Reliability Specialist within the same Manager of Operation's area.
- 163 If the employee whose absence caused the temporary vacancy, which was filled in accordance with this Section, does not return, the vacancy shall become permanent and shall be subject to posting and bid in accordance with the provisions of Section 8 of this Article.
- 164 When a temporary vacancy occurs due to illness and the Company determines it will be posted, it shall be subject to a special qualifying clause in the posting to protect the right of the absentee to reassignment to their regular or comparable job upon return from absence.

17. Purchased Properties:

- 165 When properties are purchased or leased and employees of another Company are brought into the bargaining unit covered by this Agreement, the employees may continue in their existing jobs; however, when vacancies occur, they will be posted in accordance with Section 8 of this Article. Seniority (as defined in Section 1 of this Article) under this agreement for those employees, upon completion of their probationary period (as defined in Section 3 of this Article), will be credited on the basis of one (1) year's seniority for each two (2) years' service each employee had with the previous Company at the time the property was acquired. In addition, upon completion of the probationary period, those employees shall also be fully credited

with all service since the date they are acquired by the Company. Unless specified otherwise by mutual agreement of the Company and Union, all terms and conditions as set forth in this Agreement shall without exception or limitation be equally applied to those employees. The Union will be advised at the time such action is taken.

18. Transfer to and from permanent salaried classifications:

- 166 Employees transferred to a permanent salaried classification from within the bargaining unit shall retain seniority accumulated at the time of transfer.
- 167 A salaried employee that was promoted from the hourly work force that is to be returned to the unit may be placed in any job vacancy at the equivalent or lower classification that they held prior to promotion, or may be allowed to displace in any Company designated location within their demotional area the least senior Reliability Specialist but may not displace an employee with more or equal seniority.

19. Transfer to and from temporary salaried classifications:

- 168 Employees who have been assigned to a temporary salaried classification from within the bargaining unit shall continue to accumulate seniority for the duration not to exceed a period of 6 months.

20. Transferred by Company to affiliates:

- 169 Employees assigned to a temporary job from within the bargaining unit to an affiliate of Mobil Oil Corporation or Shell Oil Company for a period up to one hundred and eighty (180) days shall continue to accumulate seniority within the bargaining unit.
- 170 Employees transferred to a permanent job from within the bargaining unit to an affiliate of Mobil Oil Corporation or Shell Oil Company shall retain seniority accumulated at the time of transfer.
- 171 Employees who return to the bargaining unit from the transfer shall be assigned to a job not lower than that held at the time of the transfer for which they are qualified and on the basis of seniority.

21. Seniority lists:

- 172 The department will maintain seniority lists, corrected annually, showing the seniority and classification of each employee. A copy of this list will be furnished to the President of the Union.

ARTICLE XII

GRIEVANCE PROCEDURE AND ARBITRATION

- 173 1. Employees who believe they have been injured or treated unfairly as a result of the interpretation or application of any of

the terms of this Agreement may present a grievance in accordance with the following grievance procedure:

- 174 STEP 1 – The employee or the Union will seek to have the matter adjusted with the employee's immediate supervisor within ten (10) days of the date the grievance is alleged to have occurred. The employee or the local Union representative will complete a grievance form describing as fully as possible, the facts related to each alleged violation, and state the claim or relief sought. The immediate supervisor will have ten (10) days following receipt of the grievance form, to respond to the grievance.
- 175 STEP 2 – Except for discharge cases (which shall proceed directly to STEP 4); in the event no agreement is reached within ten (10) days from the date of the immediate supervisor's response under the first step, either individually or through the Union, the employee may present the grievance in writing to the Manager of Operations requesting a Board of Review. The written grievance must describe as fully as possible the facts related to each alleged violation, state which provisions of this Agreement are alleged to have been violated, and state the claim or relief sought.
- 176 STEP 3 – Within fifteen (15) days after receipt of the request for a Board of Review, the Board, consisting of the Manager of Operations or designated alternate, and not more than two (2) additional Company representatives (one of which will represent the Company's Human Resources Department) will meet with the grievant and/or Union representative totaling not more than

three (3) persons. The matter will be discussed and an effort will be made by the parties to settle the grievance. The Company will issue a written response to the Union within ten (10) days of the meeting.

- 177 Grievances of a general nature affecting employees under the jurisdiction of more than one (1) supervisor may be presented to the Human Resources Department without utilizing the first step of the grievance procedure.
- 178 Any employee (or group of employees) having grievances affecting himself/themselves shall have the right to present them to the Company. In cases of group grievances, one grievance signed by all affected employees shall be submitted to the Company. If any employee (or group of employees) believes that he has/they have been treated unfairly in the application of any of the terms of this Agreement, he/they may use the procedure as set forth in Article XII.
- 179 STEP 4 – If agreement is not reached within fifteen (15) days from the date of the Board of Review meeting or for discharge cases, the date of the Supervisor's response under STEP 1, the Union may file for arbitration with Federal Mediation and Conciliation Services. The Arbitration shall be conducted under the Voluntary Labor Arbitration Rules.
- 180 2. In calculating time under this Article, Saturdays, Sundays, and holidays recognized under this Agreement shall not be counted. Time limitations specified may be extended by mutual agreement between the parties to take care of unusual cases

such as illness, emergency, or other justified absence. In the event the Company fails to respond within any of the time limits set forth above in this Article, it shall be considered a denial of the grievance by the Company and the Union may proceed to the next step of the grievance procedure within the time limits set for the applicable step.

- 181 3. Nothing in this Article shall be interpreted to prevent an employee or group of employees from presenting grievances to the Company in accordance with the provisions of Section 9(a) of the National Labor Relations Act.

ARTICLE XIII

REPRESENTATIVES

- 182 1. The Union shall have up to 10 representatives. The areas to which such representatives are assigned will be by mutual agreement with the Company. Representatives shall be selected in the manner the Union may determine. The Union shall promptly notify the Company of the names of representatives selected who are authorized to represent employees and shall promptly notify the Company of any changes in the representatives. The Company shall promptly notify the Union of its representatives authorized to handle and settle adjustments. All notifications shall be in writing.

- 183 2. Representatives are subject to all location rules regarding
conduct of employees on the premises of the Company except
as provided under this Article.
- 184 3. Representatives shall be entitled to enter or remain on the
premises before or after their regular shifts.
- 185 4. Representatives will, upon application to their supervisor, be
permitted to leave work during working hours for reasonable
periods of time to perform the following duties:
- 186 (a) Present to a supervisor a request for adjustment requested
by an employee or group of employees.
- 187 (b) Investigate a request for adjustment or dispute in order to
properly present it to the supervisor.
- 188 (c) Attend meetings with representatives of Management when
meetings are necessary to present the adjustment or
dispute.
- 189 5. Representatives shall not leave their jobs while their
presence is necessary for safe and efficient operations.
- 190 6. Representatives shall report to their supervisor the time they
leave work to perform their duties under this Agreement and the
time they return to work upon the completion of those duties.
- 191 7. When the presence of a representative is desired by
employees to present an adjustment, they may request their

immediate supervisor to send for the representative. The immediate supervisor shall send for the representative as soon as possible. If the immediate supervisor is not present, the supervisor in charge shall respond to the request for the representative.

- 192 8. Representatives in the fulfillment of their duties under this Agreement, entering an area supervised by a supervisor other than their own, shall notify the supervisor of their presence and the nature of their business.
- 193 9. The Company agrees that representatives shall not be hindered, coerced, restrained, or interfered with in the performance of their duties, or investigating and presenting adjustments or disputes as provided in this Article.
- 194 10. The Union understands and agrees the representatives are employed to perform full-time work for the Company and will not leave work during working hours except to perform duties under this Agreement. It is further understood and agreed each will cooperate with the other in reducing to a minimum the total time spent by representatives in the performance of their duties under the Agreement.
- 195 11. When this contract has been opened under the provisions of Article XXX for any reason, the Company will pay Union representatives for time away from their jobs spent in meetings with the Company on contract negotiations. Pay shall be limited to not more than six (6) representatives covered under the terms

of this Agreement and shall not exceed a total of ten (10) days during any one contract year.

- 196 12. The Company will not pay for more than three (3) representatives for time spent on grievance meetings, Board of Review meetings, or Arbitration hearings with the Company during regular working hours.
- 197 13. The Company will pay for scheduled work time necessarily lost by not more than four (4) employees the Union calls for arbitration cases and hearings; except that when a case is lost by the Union it will reimburse the Company for such amount paid to the employees called by the Union.

ARTICLE XIV

BENEFITS

- 198 Benefit plans of the Company which are now in effect for employees covered by this Agreement or which may be placed in effect later, will continue in force during the life of this Agreement, provided, however, that those plans will be subject to any change, revision, or revocation which is made generally effective throughout the Company. The Company agrees to advise the Union in advance of any change, revision, or revocation to employee benefits, however, these are not subject to collective bargaining.

ARTICLE XV

MANAGEMENT

1. General:

199 Subject to the provisions of this Agreement, the supervision and control of all operations and the direction of all working forces, including the power and right to hire, suspend, discipline, discharge or release for proper cause, layoff, promote, demote, or transfer employees or relieve them from duty, and to maintain discipline and efficiency among the employees or relieve them from duty, and to establish reasonable and fair rules and regulations, and require compliance therewith are vested solely in the Company, provided, the provisions of this Article shall not be used for the purpose of discriminating in any manner against the Union or any of its members.

2. Disciplinary Action:

200 The Company shall have the right to reprimand in writing, suspend, discharge, or otherwise discipline an employee for just cause. Copies of letters to employees setting forth reasons for such actions will be furnished to the Local and Designated Union Representative at the time a copy of the letter is provided to the employee. A copy of any letter of reprimand or suspension will be provided to the employee at the time it is to be placed in his or her personnel file. Such letters will be removed from the employee's personnel file and returned to the employee after two (2) years (three (3) years in the case of a

suspension) provided there is no additional letter (in which case the retention end-date for the most recent letter will apply).

- 201 In case of suspension or discharge, the Company will inform the employee prior to or at the time of the action, of the reason for such disciplinary action. The Local Union Representative will also be immediately advised that the action is being taken. If requested by the employee, the Local Union Representative may be present at these proceedings.

3. Job Classifications, Descriptions, and Specifications:

- 202 The Company retains the unilateral right to determine the job content of all classifications, to create new classifications, to establish new upgradings, to combine and/or eliminate classifications, and to establish rates of pay for such new or changed classifications subject to the right of the Union to collectively bargain with respect to any applicable rate of pay.
- 203 The Company shall notify the Union in writing of its intent to create new classifications or to combine and/or eliminate job classifications, and shall discuss all such proposed changes with the Union.

4. Contractors:

- 204 Nothing in this Agreement shall limit the right of the Company to contract out work except the contracting will not be done in order to evade any of the terms of this Agreement.

ARTICLE XVI

TRANSFERS

- 205 1. Employees transferred at the request of the Company from one location to another will have their household effects moved by the Company or will be granted reasonable allowance for this purpose. Wages will be paid during the moving period. Employees who use their own car to transport family or household goods will be paid mileage one way at the established Company rate.
- 206 2. Employees promoted (increased in pay rate) to a higher classification, in another location, at their request and in accordance with other pertinent provisions of the Agreement, will be reimbursed for the movement of household effects or other reasonable and necessary moving expenses incurred, up to a maximum of \$2,500.00 for each move, upon presentation to the Company of bills and statements verifying such expenses. Wages and mileage will be handled in accordance with the preceding paragraph.
- 207 3. Employees displaced and relocated as a result of the exercise of their options under the demotional procedure in accordance with Section 15 of Article XI will be reimbursed for the movement of household effects and other reasonable and necessary moving expenses incurred, up to a maximum of \$2,500.00 for each move, upon presentation to the Company of bills and statements verifying such expenses. Wages will be paid during the moving period, and employees who use their

own car to transport family or household goods will be paid mileage one way at the established Company rate.

- 208 4. Employees who transfer at their request or as a result of the bidding procedures (not involving promotion) will assume and pay the moving expenses and will not be paid wages during the transfer.

ARTICLE XVII

SUBSISTENCE PAY INCIDENTAL TO TEMPORARY TRANSFERS

- 209 Except as provided in Article XI, Section 16(b), employees required by the Company to work at a distant location from their regular place of work which requires boarding and lodging away from their home, who are not moved under the transfer provisions of Article XVI, shall be reimbursed for reasonable, actual expenses incurred for meals and lodging while working at those locations.

- 210 The allowance for subsistence shall not apply where the Company furnishes lodging and meals.

ARTICLE XVIII

TRANSPORTATION ALLOWANCE

- 211 1. Employees who report to their regular place of employment as instructed and are then required to report to another place for work, will be furnished transportation by the Company, or, if permitted to use their own automobile, will be paid mileage at the established Company rate.
- 212 2. Employees who have reported on instruction to a central location for work and who are then transported from that location to the job will be paid at the regular rate for travel time. Then employees are transported from the job back to the central location, travel time will also be considered as working time and paid for.
- 213 3. The Company may furnish employee's transportation to the job. In that event, no mileage allowance will be paid.
- 214 4. Employees temporarily assigned from their regular location to another location where the distance from their home to the temporary location is greater than from their home to the regular location shall be paid mileage at the established Company rate per mile for the excess mileage they are required to drive due to the temporary assignment.

ARTICLE XIX

UNION BULLETIN BOARDS

- 215 1. The Company will provide bulletin boards, which may be used exclusively by the Union for posting notices restricted to:

- (a) Notices of Union recreational and social affairs.
- (b) Notices of Union elections.
- (c) Notices of Union appointments and results of Union elections.
- (d) Notices of Union Meetings.
- (e) Any other notices which have first been approved by the local management.

216 2. The number and location of the bulletin boards shall be decided by the Company. The Union will remove obsolete notices and materials from the bulletin boards at regular intervals or upon request of the Company.

ARTICLE XX

DISTRIBUTION OF PAMPHLETS

217 Except as provided in Article XIX, there shall be no general distribution of pamphlets, advertising or political matter, notices or any kind of literature by employees or others on Company property except after approval is obtained from the supervisor or other representative of the Company locally in charge.

ARTICLE XXI

PERMISSION TO ENTER COMPANY PREMISES

- 218 Upon receiving permission from the Manager of Operations or other representative of the Company locally in charge, accredited representatives of the Union shall be granted the privilege of entering a conveniently designated place upon the premises of the Company at any time during the regular daylight working hours for the purpose of assisting in the settlement of grievances or dispute, involving employees to whom this Agreement applies.
- 219 The Union representatives shall strictly comply with all safety regulations.

ARTICLE XXII

PHYSICAL EXAMINATIONS

- 220 1. All prospective employees are required as a condition of employment to submit to medical examination. These examinations may be given by the Company's medical staff or panel doctors, or by a reputable physician of the individual's own choice, if that physician is satisfactory to the Company.
- 221 2. The Company reserves the right to require any employee to furnish evidence of physical fitness at any time.

- 222 3. In any case where the examination is made by other than the Company's medical staff or a panel doctor, the employee will pay for the examination. The information furnished will be on forms provided and in a manner prescribed by the Company.
- 223 4. Employees absent from work three (3) working days or more, due to illness or physical impairment other than industrial causes, or for any period due to industrial injury, will be readmitted to work on the presentation of a certificate of physical fitness, signed by the Company's medical staff, a panel doctor, or by a doctor of their choice who is satisfactory to the Company. If there is a charge for the certificate from the employee's doctor, it will be paid by the employee.
- 224 5. In exceptional cases or in cases of constantly recurring absences from duty, the Company has the right to require a physical examination by a physician in the Company's service.

ARTICLE XXIII

EMPLOYEES' DUTIES

- 225 1. Employees shall perform the duties of any classification to which they may be assigned.
- 226 2. In general, work peculiar to one classification will be done by employees assigned to such classification; but all work incident to or in connection with good housekeeping, running maintenance and the like, which, in accordance with custom, is

usually performed or done by employees as an incident to their regular work, will, insofar as is reasonable, be performed or done by such employees.

- 227 3. The Company agrees employees will not be required to perform their duties in a manner to violate the published Operating Orders or to otherwise affect the standards of safety or accuracy required by the Company.
- 228 4. Employees shall report an absence to their supervisor at least one (1) hour prior to the beginning of scheduled work time unless prevented from doing so by circumstances beyond their control. Failure to do so constitutes an unexcused absence.

ARTICLE XXIV

LEAVES OF ABSENCE

- 229 1. When requested, the Company shall grant leaves of absence without pay for extended periods (in excess of thirty (30) consecutive calendar days) to employees for the purpose of attending to business of the Union, provided not more than a total of six (6) employees from the Company shall be on leave at any one time and provided no leave will be granted in excess of one (1) year, except the leave may be extended upon approval of the Company. During the leave of absence for a period in excess of six (6) months, employees shall not be considered an employee of the Company for any purpose whatsoever except for accumulation of seniority.

230 2. Other leaves of absence may be granted subject to Company regulations. All requests for leaves of absence shall be presented in writing to the immediate supervisor and shall include the reason(s) for the requested leave, the commencement date, and duration of such leave. The approved request shall be made part of the Company's records.

ARTICLE XXV

DEATH IN FAMILY

231 Employees shall, in the event of the death of any member of the family (mother, father, spouse, domestic partner, child, brother, sister, grandparent, grandchild, grandparent-in-law, mother-in-law, father-in-law, daughter-in-law, son-in-law, sister-in-law, brother-in-law, or other person who in the opinion of their supervisor is considered to be a foster parent or foster child of the employee), be granted a leave up to three (3) regularly scheduled work days without loss of regular pay necessarily lost in making funeral arrangements or attending the funeral. Employees required to travel out of state may be granted vacation and/or personal leave of absence time (of an appropriate duration) if needed in conjunction with funeral leave. Other close relatives may be considered if they resided in the employee's household at time of death.

ARTICLE XXVI

MISCELLANEOUS

- 232 1. When the Company authorizes reimbursement for the purchase of specified Prescription safety glasses, employees will be reimbursed for fitting and ordering charges, as well as the cost of the eyeglasses. All other costs shall be borne by the employee, in accordance with procedures established by the Company.
- 233 2. The Company will pay the replacement value of employees' clothing made unfit for use by strong chemicals contacted during the course of their work, provided the proper use has been made of protective clothing and devices furnished by the Company and available on the job. Payment for replacement of clothing shall be made on the basis of prices charged by representative firms in the locality for acceptable work clothes and estimated value remaining in the clothes prior to their destruction, as determined by the employee's supervisor.
- 234 3. Should it become necessary to change any of the conditions of work to affect generally the employees covered by the terms of this Agreement, the Company will inform the Union of the proposed changes and will meet with the Union to discuss the changes.

ARTICLE XXVII

WORKWEEK

235 For the purpose of figuring overtime, the Company may establish alternate seven-day workweeks, which will begin as determined by management, and end seven consecutive 24-hour periods later.

ARTICLE XXVIII

LIMITATIONS

236 This Agreement and all of the terms and conditions shall be subject to and shall conform with all legislation, regulations, or regulatory measures now in affect or which may be enacted or promulgated by the Government of the United States, or the State of California, or any agency of either of them, including the armed forces.

237 In the event any provision(s) of this Agreement, or any application(s) thereof become contrary to legislative act or administrative regulation by virtue of any applicable federal, state, county, or municipality, or executive order of the President of the United States pursuant to law, or final adjudication of any court of competent jurisdiction, the parties agree to meet immediately and negotiate the change required to modify the affected provision(s) or application(s) of a provision of this Agreement to comply with the law, order, or final adjudication,

but in all other respects the provisions of this Agreement shall continue in full force and effect for the term of this Agreement..

- 238 The Company and the Union agree that both parties shall jointly and individually comply with all Federal, State and Local laws prohibiting discrimination in employment, and shall not discriminate against any employee with respect to terms and conditions of employment or employment opportunities because of race, color, religion, sex, age, national origin, handicap, or disability and laws covering disabled veterans and veterans of the Vietnam era.

ARTICLE XXIX

NOTICES

- 239 Notices provided for in this Agreement may be given by postage paid Certified United States mail in a sealed envelope as follows:

TO THE UNION

- 240 To the President of the Union in office on the day the notice is mailed. The Union will keep the Company advised of the name and address of its President.

TO THE COMPANY

241 To the Human Resources Department. The Company will keep
the Union advised of the name and address of the Human
Resources Department.

ARTICLE XXX

TERM

242 1. This Agreement shall become effective on the 1st day of
February 2022, and shall remain in effect until midnight January
31, 2026 , and shall continue in effect from year to year
thereafter unless either party shall give written notice to the
other party at least sixty (60) days, but not more than seventy-
five (75) days prior to February 1st in that year of its desire to
modify, amend, or terminate this Agreement. Notice to modify
or amend this Agreement shall specify the changes desired.

243 2. If the notice to modify or amend this Agreement is given, the
parties shall meet following the date the notice is given but no
later than forty-five (45) days prior to the expiration date of this
Agreement, to consider such modification or amendment. In the
event no agreement is reached on the proposed modifications
or amendments by the expiration date of this agreement, then
this Agreement shall automatically terminate; however, the
parties may, by mutual consent, extend this Agreement for a
specific period beyond the expiration date for the continuation of
negotiations.

ARTICLE XXXI

PRIOR AND COLLATERAL AGREEMENTS

244 This Agreement shall constitute the entire agreement between the Union and the Company relating to the employees to whom this Agreement applies, and no other stipulation of understanding shall limit or qualify its terms, provided, however, this Agreement shall be subject to modification by mutual written agreement of the parties. This Agreement shall, as of the commencement date, cancel and supersede all prior agreements between Union and Company relating to the employees, to whom this Agreement applies, except as herein otherwise provided.

245 IN WITNESS WHEREOF, the parties hereto have hereunto caused this Agreement to be duly executed this 3rdth day of May 2022.

For the Company:

Original signed by Theresa Bush

Theresa Bush
Vice President, Human Resources
Aera Energy Services Company

For the Union:

Original signed by Tyona Wolk

Tyona Wolk
United Steelworkers International

EXHIBIT A

CLASSIFICATIONS AND WAGE RATES

Classification	Effective Date Pay Period Closest to 2/1/22	Effective Date Pay Period Closest to 2/1/23	Effective Date Pay Period Closest to 2/1/24	Effective Date Pay Period Closest to 2/1/25
Sr. Electrician	\$51.26	\$52.80	\$54.38	\$56.28
Sr. Reliability Specialist	\$48.19	\$49.64	\$51.13	\$52.92
Reliability Specialist				
After 2 nd Year	\$44.94	\$46.29	\$47.68	\$49.35
After 1 st Year	\$39.46	\$40.64	\$41.86	\$43.33
Start	\$36.81	\$37.91	\$39.05	\$40.42

NOTE 1: There shall be no distinction in work assignments at any Reliability Specialist progression step.

NOTE 2: Where a vacancy, which was posted in accordance with the provisions of Article XI, remains unfilled, a new employee or Aera staff employee may begin at any of the Reliability Specialist wage rate progression steps when it is determined by the Company that

the individual is qualified and has performed similar work to that ordinarily performed by union- represented employees.

ANNUAL BONUS PLAN

The above wages are implemented in conjunction with the Annual Bonus Plan described below and will be subject to administrative procedures generally effective throughout the Company:

The Business Performance Factor (BPF) is an amount calculated on the basis of the Company's performance for the Plan Year in relation to specific financial targets set by the Board. The BPF may range from 0 to 1.5.

Straight time Bonus Formula	Bonus = Base Salary x BPF x Target Bonus 10%
Overtime Bonus Formula	OT Bonus = Actual OT \$ x BPF x Target Bonus 10%
Shift Differential Bonus Formula	Shift Differential Bonus = Actual Shift Differential \$ x BPF x Target Bonus 10%

All "1" rated employees will be eligible for a 50% bonus provided that such employees were notified in advance of their "1" rating.

In the event the Bonus Plan for union-represented employees is eliminated during the current contract term, the Company agrees to meet and discuss adjusting the wage rates in Exhibit A.

EXHIBIT B

TRANSPORTATION

The Company will bear the costs associated with providing limited employee transportation through May 15, 2006. Income will be imputed (currently \$3.00/day) to employees on vehicles where the ridership levels do not meet the requirements of Internal Revenue Code 132 (f)(5)(B).

Transportation will be provided as shown below effective as soon as practicable following completion of the current negotiations.

Belridge

- 7 vans (replacing 2 buses) leaving from the Oaks on the 9/80 schedule
- 1 van leaving from Wasco on the 9/80 schedule
- 1 van leaving from Shafter on the 9/80 schedule
- 1 van leaving from the Oaks on the 12 hour schedule
- 1 vehicle leaving from the Oaks on the 12 hour schedule to Lost Hills possibly via Wasco
- 1 bus leaving from Taft on the 9/80 schedule

San Ardo

- Maintain current availability of transportation (vehicle(s) used may change)

No Company-provided vehicles, other than those described above, will be utilized for routine employee transportation. The Company will consult with the Union when developing the transportation routes.

TRANSPORTATION (con't)

Employees who have regularly used company-provided transportation during the last 90 days, but, due to the availability of transportation as described above, are no longer able to use company-provided transportation, will receive a one time, non-benefits bearing, lump sum payment of \$3000.00.

During the contract term, the Company will explore and, as it determines appropriate, implement methods to reduce and/or eliminate costs and potential liabilities associated with its commitment to provide transportation as described above. Beginning on or after May 15, 2005, the Company will begin to implement changes to employee transportation to enable transition from Company paid/administered to employee paid and employee/third party administered. This transition will be complete on or about May 16, 2006, after which time the Company will have no obligation to provide and/or bear any costs, administration, or liabilities associated with employee transportation.

Modifications to Articles of Agreement

Between

WCEU/USW Local 407

And

Aera Energy Services Company

May 16, 2002

Exhibit C: Transportation (Modified 5/16/06)

Exhibit D: Transportation (Modified 5/16/09)

Exhibit E: Transportation (Modified 5/16/12)

Exhibit F: Transportation (Modified 5/16/15)

EXHIBIT C

(Modified 5/16/06)

TRANSPORTATION

The Articles of Agreement between the WCEU and Company dated May 16, 2002 provide in Exhibit B that, among other things, the Company would implement changes to employee transportation to enable transition from Company paid/administered to employee paid and employee/third party administered, with this transition completed by May 16, 2006. While Exhibit B provided that the Company would retain no obligation to provide and/or bear any costs, administration, or liabilities associated with employee transportation beyond May 16, 2006, the Company has determined that it will contribute to employee transportation through May 15, 2009 for eligible WCEU-represented employees as follows:

An employee must decline the \$1,500 Extension Payment described in Item #2 of the 2006 Settlement Offer dated March 29, 2006 to be eligible to use the transportation described herein.

An eligible employee will select a transportation route (using a provided sign-up form) from among the routes existing as of the signing of the 2006 Settlement Offer dated March 29, 2006.

The Company will not contribute to any route where less than 6 employees sign up during the initial sign-up period (see item B above), except for the San Ardo 9/80 van where at least 4 employees must sign up during the initial sign-up period.

Routes established under Item C above will be maintained where a minimum employee ridership of 50% of the van capacity, not including the driver, is maintained on a regular basis.

TRANSPORTATION (con't)

The entire Company contribution toward transportation will be payment of the fee necessary to lease and insure vehicles used to provide transportation on the routes described in Item D above and a fuel subsidy, paid to the vehicle leasing company, of \$150.00 per month for each 15 passenger van and \$75.00 per month for each 7 passenger van. The 12-hour shift van that makes two round trips per day will receive a \$300.00 subsidy per month.

The Company contribution will be based upon the size and type of vehicle it determines is necessary for each existing route.

All fuel expenses above the subsidy described in Item E above for vehicles used for employee transportation will be at the expense of and administered by those employees using the vehicles.

A designated employee or a group of employees will contract directly with the vehicle leasing company. While the Company will contribute to the cost of transportation as described in Item E above, it will not be party to the contract between the leasing company and the employee(s).

The above-described transportation arrangement will begin to be implemented as soon as practicable following ratification of the 2006 Settlement Offer dated March 29, 2006. The sign-up process will be completed by the WCEU as soon as practicable so that the \$1,500

Extension Payment can be made to those employees who do not elect to use the transportation.

TRANSPORTATION (con't)

The above-described participation by the Company in employee transportation expires May 15, 2009, after which the Company will have no obligation to provide, contribute to, and/or bear any costs, administration, or liabilities associated with the transportation of WCEU-represented employees.

March 30, 2006

EXHIBIT D
(Modified 5/16/09)

TRANSPORTATION

As a supplement to the Company's contribution to employee transportation provided in Exhibit B of the Articles of Agreement, the Company will contribute towards one additional fifteen-passenger van for Belridge. The Company's participation in employee transportation expires May 15, 2012.

EXHIBIT E

(Modified 5/16/12)

TRANSPORTATION

The Company agrees to increase the fuel subsidy, paid to the vehicle leasing company, to \$200 per month for each 15 passenger van and \$100 per month for each 7 passenger van. The 12-hour shift van that makes two round trips per day will receive a \$400 subsidy per month. The Company's participation in employee transportation as described in Exhibit B, Exhibit C, and Exhibit D, expires May 15, 2015.

EXHIBIT F
(Modified 5/16/15)

TRANSPORTATION

The Company agrees to consider an additional van during the term of the contract pending verification of ridership capacity.

The Company agrees to subsidize the cost of the physical for up to two drivers per van as long as the physical is performed by a Company-designated physician.

EXHIBIT G

Modified February 1, 2019

TRANSPORTATION - Midway Sunset

The Company will bear the costs associated with providing limited employee transportation for Midway Sunset through January 31, 2022. Income will be imputed to employees on vehicles where the ridership levels do not meet the requirements of Internal Revenue Code 132 (f)(5)(B).

Following the ratification of the 2019 Settlement Offer, the Company will begin to implement changes to employee transportation to enable transition from Company paid/administered to employee paid and employee/third party administered. Transportation will be provided as soon as practicable following completion of the current negotiations. Upon completion of the transition, the Company will have no further obligation to provide and/or bear any administration or liabilities associated with employee transportation.

The entire Company contribution toward transportation will be payment of the fee necessary to lease and insure vehicles used to provide transportation on the routes described below

The Company agrees to a fuel subsidy, paid to the vehicle leasing company, of \$200 per month for each 15-passenger van and \$100 per month for each 7-passenger van.

A designated employee or a group of employees will contract directly with the vehicle leasing company.

The Company will contribute to the following transportation route:

Midway Sunset Office

- 2-3 vans leaving from the Oaks

The route established above will be maintained where a minimum employee ridership of 50% of the van capacity, not including the driver, is maintained on a regular basis.

No Company-provided vehicles, other than those described above, will be utilized for routine employee transportation.

The Company agrees to subsidize the cost of the physical for up to two drivers per van as long as the physical is performed by a Company-designated physician.

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