

Robert E. Shannon  
City Attorney of Long Beach  
333 West Ocean Boulevard  
Long Beach, California 90802-4664  
Telephone (562) 570-2200

1 **FIRST AMENDMENT TO AGREEMENT FOR THE DELIVERY OF PRODUCED**  
2 **WATER FROM OIL OPERATORS, INC.**

3 **32869**

4 This First Amendment to Agreement for the delivery of produced water is  
5 made and entered, in triplicate, as of <sup>August 25</sup> ~~July~~ \_\_\_\_\_, 2006, from Oil Operators, Inc.,  
6 pursuant to a minute order adopted by the City Council of the City of Long Beach at its  
7 meeting held on June 20, 2006, by and among:

8  
9 **CITY OF LONG BEACH**, a municipal corporation, acting in its capacity as  
10 Unit Operator for Unit Segments 1 and II, under the Unit Agreements,  
11 Fault blocks II, III, IV and V Ranger Zone Units and as operator of certain  
Ununitized formations in the Wilmington Oil Field, hereinafter collectively  
referred to as "City";

12 **TIDELANDS OIL PRODUCTION COMPANY**, an Oxy Oil and Gas  
13 Partnership, hereinafter referred to as "Tidelands";

14 AND

15 **OIL OPERATORS, INC.**, a California corporation, hereinafter referred to  
16 as "Oil Operators";

17 **RECITALS**

18 This First Amendment to Agreement for Delivery of Produced Water From  
19 Oil Operators, Inc., ("Agreement") is made and entered into with respect to the following  
20 facts and objectives:

21 (A) The parties hereto entered into the Agreement effective September  
22 24, 2001, pursuant to a minute order adopted by the City Council of the city of Long  
23 Beach at its meeting held on August 28, 2001, and have each duly performed pursuant  
24 to the terms thereof.

25 (B) Oil Operators plans to make significant capital improvements to its  
26 pipelines and desires to secure the Agreement for an extended term of seven years  
27 from the effective date of this First Amendment with the provision of automatic annual  
28 renewals thereafter.

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1 NOW, THEREFORE, the parties mutually agree as follows:

2 1. Section 1 TERM. is amended in its entirety to read as follows:

3 "1. TERM. This Agreement shall continue to be effective, and remain in effect for a period  
4 of seven (7) years from the effective date of this First Amendment. The Agreement shall  
5 thereafter automatically be renewed for successive one (1) year terms unless any party  
6 shall deliver to the other parties written notice of an election to terminate this Agreement  
7 not later than thirty (30) days prior to the then-scheduled expiration of the term of this  
8 Agreement. All such renewals shall be on the same terms and conditions as contained in  
9 this Agreement."

10 2. Except as specifically amended by this First Amendment, all terms and  
11 conditions of this Agreement are ratified and confirmed and shall remain in full force  
12 and effect.

13 This First Amendment to Agreement is executed on the dates set forth  
14 opposite each of the respective signatures.

15 2676 Orange Ave  
Signal Hill, CA 90755  
16 712 West Baker Street  
Long Beach, CA 90806  
17 Attn: Trent Rosenlieb

**OIL OPERATORS, INC.,**  
a California corporation

18 31 July, 2006

By: Trent R. Rosenlieb  
Its: President

21 301 East Ocean Boulevard, Suite 300  
22 Long Beach, California 90802  
Attn: Mark S. Kapelke, Operations Manager

**TIDELANDS OIL PRODUCTION  
COMPANY**, an Oxy Oil and Gas  
Partnership

24 July 25, 2006

By: Mark S. Kapelke BAX  
Its: Operations Manager

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27 //  
28 //

1 333 West Ocean Blvd.  
2 Long Beach, CA 90802  
3 FAX no.: (562) 570-6583  
4 Attn: \_\_\_\_\_

**CITY OF LONG BEACH**, a municipal Corporation, acting in its capacity as Unit Operator for Unit Segments I and II, under the Unit Agreements, Fault Blocks II, III, IV and V Ranger Zone Units and as Operator of certain Ununitized formations in the Wilmington Oil Field.

5  
6 August 25, 2006 By: *[Signature]*  
7 City Manager

8  
9 The foregoing First Amendment to Agreement For The Delivery of Produced  
10 Water From Oil Operators, Inc., is hereby approved as to form this 9<sup>th</sup> day of  
11 August, 2006.

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13 ROBERT E. SHANNON, City Attorney

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15 By *Charles Parkin*  
16 Deputy

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