

EXHIBIT B: EXAMPLE SURPLUS EQUIPMENT/ MATERIAL SALES AGREEMENT

Agreement Number [_____]

This Surplus Equipment/ Material Sales Agreement ("Agreement") is entered into as of [DATE] between ConocoPhillips Company ("Seller"), having offices at 925 N Eldridge Parkway, Houston, TX 77079, and [BUYER NAME] ("Buyer"), having offices at [BUYER'S ADDRESS]

1. **ITEMS TO BE PURCHASED.** Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller, subject to the terms and conditions set forth in this Agreement, the following surplus equipment/ material (collectively the "Items") from the premises at [location address] where they are located (the "Premises").

ITEM NUMBER	ITEM QUANTITY	UNIT OF MEASURE	ITEM DESCRIPTION	PURCHASE PRICE
1				
2				
3				
4				
5				
TOTAL PURCHASE PRICE				

2. **TAXES.** If any value added, goods, sales and use, or other similar taxes apply to the sale or purchase of the Items and Buyer has not provided Seller with a valid exemption certification or direct payment certification, all such taxes (i) shall be in addition to the prices stated in Section 1 above; (ii) shall be the responsibility of Buyer; and (iii) shall be paid to Seller by Buyer no later than the date specified in Section 3 below for payment for the Items.

3. **PAYMENT.** Time is of the essence with respect to Buyer's payment for the Items. Payment shall be by electronic funds transfer, certified check or cashier's check, payable to Network International, unless Buyer has made other arrangements in advance and Seller and Network International have agreed to such arrangements in writing. If Buyer fails to pay for the Items in accordance with the foregoing, Seller may, at its option, at any time prior to Buyer's payment in full, cancel this Agreement without notice and without liability to Buyer, in which case Seller shall be entitled (i) to retain as liquidated damages, and not as a penalty, any and all payments previously received from Buyer with respect to the Items; and (ii) to pursue such other remedies and rights to which Seller may be entitled.

Send checks to:
Network International
3555 Timmons Lane, Ste 1200
Houston, TX 77027
Attention: Operations Department

4. REMOVAL OF THE ITEMS

(a) Buyer shall be solely responsible for, and shall bear all costs and expenses associated with, the removal of the Items from the Premises, including the costs and expenses of preparing, dismantling, disconnecting, crating, packing, loading and transporting the Items and the cleanup of all debris occasioned by such removal. Buyer shall use reasonable care in removing the Items, and Buyer shall repair or cause to be repaired, at its cost, any damage caused to the Premises or to any other property in the removal of the Items.

(b) No crushing, cutting or other "hot" work is allowed on the Premises. All loads must be properly and safely secured. Breakover boomers are not acceptable for securing loads. Ratchet-type boomers of

chain or nylon type, in good condition, are acceptable.

(c) The Premises are operated by Seller and have equipment to perform loading operations. Buyer must make loading arrangements directly with XXXXXXXX. OR The Premises are operated by Seller and do not have equipment to perform loading operations. Buyer must use one of Seller's prequalified and approved contractors for loading operations. OR The premises are not operated by the Seller and Buyer must make loading arrangements directly with a representative of the owner of the Premises.

(d) All individuals entering the Premises must wear steel-toe safety footwear, hard hat, safety eyewear (glasses or goggles), and will be expected to attend a short training session before entering the Premises. In areas where hydrocarbons are present, fire-retardant clothing is required. If the removal of items is to occur at Premises not operated by Seller, Buyer should discuss additional health, safety, and environmental requirements directly with a representative of the owner of the Premises.

(e) Time is of the essence with respect to Buyer's removal of the Items from the Premises. Buyer shall remove all the Items from the Premises no later than 30 days after payment. If Buyer does not remove all of the Items from the Premises by the date specified above, Seller may, at its option, either (i) extend the time period for Buyer's removal of the Items by such number of additional days as Seller deems reasonable, in which case Seller may charge Buyer storage fees in such amounts as Seller deems reasonable and Buyer shall pay such storage fees before it shall be entitled to remove any of the remaining Items from the Premises; or (ii) consider the remaining Items (including any remaining components of the Items) to have been abandoned by Buyer, in which case Buyer shall lose all right, title and interest in such remaining Items, title to such remaining Items shall revert to Seller, and Seller may retain as liquidated damages, and not as a penalty, any and all payments received previously from Buyer with respect to such remaining Items.

(f) The Items shall be subject to inspection by Seller's representatives at the time of removal from the Premises.

5. SELLER'S WARRANTIES

(a) Nothing in the course of dealing, course of performance, or usage of trade in connection with this Agreement, its execution or performance shall constitute a warranty of any kind. The Items are sold on an **"AS IS, WHERE IS"** basis with all faults, and, except for Seller's warranty that it has good title to the Items, **SELLER MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, WRITTEN OR ORAL, and INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.**

(b) Any descriptions of particular Items in Section 1 of this Agreement and in Seller's offering, if any, are based on the latest information available to Seller's personnel responsible for selling the Items. However, Seller makes no warranty as to such descriptions.

6. **HAZARDOUS CHEMICALS AND OTHER HAZARDOUS MATERIALS.** Buyer acknowledges and understands that the Items may bear or contain hazardous chemicals or other hazardous materials, including naturally occurring radioactive materials ("**NORM**"), which may be or may become (by chemical reaction, toxicity, flammability, explosiveness or otherwise) hazardous to life, health or property at any time after the Items leave the possession and control of Seller, including during use, handling, loading, transporting, storing, processing, cleaning, reconditioning, maintaining, labeling, welding, cutting, grinding, separating, or disposal of the Items. Buyer further acknowledges that Buyer understands that (i) NORM can be considered a health hazard if workers are exposed to certain concentrations thereof; and (ii) adequate safeguards must be taken while handling NORM, including any welding or any use which could convert NORM to an inhalable form. Similar precautions must be taken if the Items are painted, to safeguard workers from possible exposure to lead-based coatings. By execution of this Agreement, Buyer hereby acknowledges and affirms that Buyer is fully aware of all such risks and Buyer covenants and agrees that Buyer will take all appropriate action to avoid or neutralize all hazards associated with such hazardous chemicals or materials. If Seller becomes aware that Buyer is not making an appropriate use of the Items or is not taking adequate safeguards in handling the Items, then Seller shall have the right (but not the obligation), in its sole discretion, to

discontinue sale of the Items to Buyer. It is Buyer's sole and absolute responsibility to ensure that all of its employees, contractors, subcontractors, agents, customers, and anyone else Buyer reasonably foresees being exposed to the Items, take the necessary precautionary measures to be informed of, and inform others of, the presence of any hazardous chemicals or materials and to minimize exposure to levels that present a risk to health. Accordingly, Buyer shall warn each person to whom Buyer resells, gives or delivers any of the Items or who Buyer can reasonably foresee being exposed to such Items (including Buyer's employees, contractors, subcontractors and customers) of the hazards associated therewith, and Buyer shall take all actions necessary to protect such persons from such hazards. In handling or disposing of the Items, Buyer shall comply with all federal, state, and local laws and regulations.

7. **RELEASE OF CLAIMS.** Except for claims relating to Seller's failure to make particular Items available to Buyer for removal, **BUYER HEREBY RELEASES SELLER, SELLER'S PARENT COMPANIES, SUBSIDIARIES, AFFILIATES AND CO- VENTURERS, AND THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, AGENTS AND REPRESENTATIVES, FROM ANY AND ALL LIABILITY AND WAIVES ANY CLAIMS IT MAY NOW HAVE, OR WHICH IT MAY HAVE IN THE FUTURE, AGAINST THEM WHICH ARE IN ANY WAY CONNECTED WITH BUYER'S PURCHASE OR REMOVAL OF THE ITEMS. SUCH PURCHASE AND REMOVAL ACTIVITIES INCLUDE BUYER'S POSSESSION, HANDLING, LOADING, TRANSPORTING, STORING, PROCESSING, CLEANING, RECONDITIONING, MAINTENANCE, LABELING, USE, WELDING, CUTTING, GRINDING, SEPARATION, OR DISPOSAL OF THE ITEMS. BUYER'S RELEASE SHALL APPLY TO ANY CLAIMS OR LIABILITIES OF WHATSOEVER KIND OR NATURE, INCLUDING THOSE RESULTING DIRECTLY OR INDIRECTLY FROM STRICT LIABILITY, SELLER'S NEGLIGENCE, FAILURE OF SELLER TO GIVE MORE SPECIFIC WARNINGS WITH RESPECT TO INDIVIDUAL ITEMS, AND THE INADEQUACY OF ANY SELLER WARNING.** No claim by Buyer with respect to Seller's failure to make particular Items available for removal shall be greater in amount than the purchase price set forth in Section 1 above for such Items. In no event shall either party be liable to the other under this Agreement for any punitive, incidental, consequential, special or indirect damages, howsoever arising.

8. **INDEMNITY. BUYER SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS SELLER, ITS PARENT COMPANIES, SUBSIDIARIES, AFFILIATES AND CO-VENTURERS, AND THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, AGENTS AND REPRESENTATIVES, FROM ANY AND ALL LIENS, ENCUMBRANCES, FINES, PENALTIES, CLAIMS, DAMAGES, LOSSES, OBLIGATIONS, LIABILITIES, COSTS (INCLUDING ATTORNEYS' FEES AND COURT COSTS) AND CAUSES OF ACTION OF, TO, OR BY ANY PERSON, INCLUDING BUYER, BUYER'S CONTRACTORS AND SUBCONTRACTORS, THEIR RESPECTIVE EMPLOYEES, OR ANY GOVERNMENT ENTITY, IN RELATION TO THIS AGREEMENT OR ANY ITEMS. THE ABOVE INDEMNIFICATION AND HOLD HARMLESS PROVISIONS SHALL APPLY TO INJURY TO, DISEASE SUFFERED BY, OR DEATH OF ANY PERSON AND TO LOSS OF OR DAMAGE TO ANY PROPERTY, RESULTING DIRECTLY OR INDIRECTLY FROM ANY AND ALL ACTS OR OMISSIONS OF THE INDEMNIFIED PARTIES, BUYER, OR OF ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY OR ASSOCIATED WITH BUYER, INCLUDING ANY FAILURE BY SELLER TO WARN OR TAKE ALL NECESSARY SAFETY PRECAUTIONS PURSUANT TO SECTION 6 ABOVE, AND REGARDLESS OF WHETHER ANY SUCH INJURY, DISEASE, DEATH, LOSS OR DAMAGE IS CONTRIBUTED TO IN WHOLE OR IN PART BY THE NEGLIGENCE, STRICT LIABILITY, OR ALLEGED BREACH OF WARRANTY OF THE INDEMNIFIED PARTIES. THIS INDEMNITY SHALL HAVE NO APPLICATION TO ANY CLAIM, LIABILITY, OR CAUSE OF ACTION RESULTING FROM THE SOLE NEGLIGENCE OF THE INDEMNIFIED PARTIES.**

If Buyer sells any Items, it shall sell them subject to a written agreement containing this paragraph, with [ConocoPhillips Company or its applicable Affiliate] named in lieu of "Seller" where this term appears. Buyer acknowledges that the prices for the Items would have been higher had Buyer not agreed (i) to limit Seller's liability; (ii) to assume various liabilities; and (iii) to assume certain indemnity obligations under this Agreement.

9. **TITLE AND RISK OF LOSS.** Title to the Items will pass from Seller to Buyer upon Network

International's receipt of payment in full for the Items in accordance with Section 3 above. Seller shall have no responsibility for safeguarding, maintaining or insuring the Items after risk of loss passes to Buyer. Notwithstanding the foregoing, Seller may rescind the transfer of title with respect to any Items which an unanticipated need in Seller's operations arises prior to Buyer's collection of such Items. In such event Seller's sole obligation to Buyer will be the refund to Buyer of the payment received from Buyer for such Items. Risk in all the Items will pass from Seller to Buyer upon commencement by Buyer of any of the activities address in Section 4 with respect to any of the Items. Should Items suffer loss or damage before risk therein has passed to Buyer, Seller's maximum obligation to Buyer will be the refund of the payment received from Buyer for such Items, appropriately pro-rated should Buyer wish to proceed with the purchase of damaged Items. Title to Items lost or damaged before risk therein passed to Buyer, and rejected by Buyer on account thereof will revert to Seller.

10. **INSPECTIONS.** Buyer acknowledges and warrants that, prior to entering into this Agreement, it was offered ample opportunity by Seller to inspect all of the Items and to carry out any reasonable tests thereof before arranging their collection. Buyer's failure to carry out any such inspections or tests does not entitle Buyer to reject any Items or to claim any adjustment of the agreed price due to Seller.

11. **EQUIPMENT AND MACHINERY.** If the Items include any machinery or equipment, the installation of such machinery or equipment, whether at Buyer's premises or elsewhere, shall be the sole responsibility of Buyer and will be at Buyer's expense. With respect to such machinery or equipment, Buyer shall also have the sole responsibility for (i) the safe and proper maintenance and operation; (ii) training all of Buyer's personnel assigned to operate or maintain such equipment or machinery in compliance with all applicable federal, state and local safety statutes, ordinances, rules and regulations relating to the operation or maintenance of such equipment or machinery; and (iii) the installation and maintenance of any safety guards and other safety apparatus which are included with such equipment or machinery or which may be required or affixed thereto at any time. Seller may recommend the installation of safety apparatus on such equipment or machinery, but Seller shall have no responsibility or liability with respect to making such recommendations, failing to make such recommendations, or performing any such installations.

12. **INSURANCE:** Buyer shall maintain and shall require its contractors and subcontractors to maintain the following: (a) Workers' Compensation and Occupational Disease insurance complying with the laws of each state in which activities in relation to this Agreement are to be performed; (b) Employer's Liability insurance with a limit of not less than \$1,000,000 per occurrence; (c) Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 per occurrence; (d) Commercial General Liability insurance, including contractual liability, with a combined single limit for bodily injury or property damage of not less than \$5,000,000 per occurrence; and (e) such other insurances as the law or Buyer may require. Buyer agrees, if requested by Seller to do so, to include Seller as an additional insured under the insurance policies described in (c) and (d) above and to endorse such policies as primary coverage to the extent of the risks and indemnification obligations assumed by Buyer under this Agreement. Whenever requested, Buyer shall furnish evidence satisfactory to Seller that such insurances are in effect.

13. **RECORDS.** Buyer shall maintain, and will ensure that its contractors and subcontractors maintain a true and correct set of records pertaining to its performance of this Agreement and all transactions related hereto, for a period of not less than two years after completion of performance under this Agreement. Any representative or representatives authorized by Seller may audit any and all such records of Buyer, its contractors or subcontractors, at any time or times during performance of this Agreement and during the two-year period after completion of performance.

14. **CONFLICT OF INTEREST.** Buyer shall not, and shall ensure that its contractors and subcontractors shall not, (i) pay any commissions, fees or grant any rebates to any employee, officer, representative or agent of Seller, nor (ii) favor employees, officers, representatives or agents of Seller with gifts or entertainment of significant cost or value, nor enter into any business arrangement with employees,

officers, representatives or agents of Seller other than to the extent they are duly and properly acting on Seller's behalf in relation to this Agreement. Seller shall have the right to verify Buyer's compliance with the provisions of this Section pursuant to Seller's audit rights set forth in Section 13 above.

15. **SEVERABILITY.** If any provision of this Agreement, whether a Section, sentence or any portion thereof, is determined by a court of competent jurisdiction to be invalid or unenforceable, such provision shall be deemed to be severed and the remaining provisions of this Agreement shall remain in full force and effect.

16. **GOVERNING LAW. THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS EXCEPT FOR ANY RULE OF LAW OF THE STATE OF TEXAS WHICH WOULD MAKE THE LAW OF ANY OTHER JURISDICTION APPLICABLE.**

17. **WAIVERS.** Seller shall not be deemed to have waived any right, power, privilege or remedy unless such waiver is in writing and duly executed by it. No failure to exercise, delay in exercising or course of dealing with respect to any right, power, privilege or remedy shall operate as a waiver thereof by Seller or of any other right, power, privilege or remedy. Exercise, non-exercise or partial exercise of any right, power, privilege or remedy shall not preclude any other or further exercise thereof by Seller or the exercise of any other right, power, privilege or remedy by Seller.

18. **COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS.** Buyer shall comply with all applicable statutes, laws, codes, ordinances, orders, rules, regulations, proclamations and other governmental requirements which are in any way related to its purchase or removal of the Items, including those relating to its possession, transportation, storage, processing, cleaning, reconditioning, maintenance, handling, labeling, use or disposition of the Items. In addition, Buyer, and Buyer's contractors and subcontractors, shall comply with OSHA and state safety regulations, all applicable laws relating to or affecting the employment of labor, and while on the Premises all of the safety rules, regulations and requirements for the Premises. **BUYER SHALL INDEMNIFY AND HOLD HARMLESS SELLER, ITS PARENT COMPANIES, SUBSIDIARIES, AFFILIATES AND CO-VENTURERS, AND THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, AGENTS AND REPRESENTATIVES, FROM AND AGAINST ANY FINE, PENALTY, OR LIABILITY, COST AND EXPENSE (INCLUDING COURT COSTS AND ATTORNEYS' FEES) ARISING OUT OF ANY FAILURE BY BUYER, OR ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY OR ASSOCIATED WITH BUYER IN CONNECTION WITH THIS AGREEMENT, TO OBSERVE OR COMPLY WITH ANY SUCH STATUTES, LAWS, CODES, ORDINANCES, ORDERS, RULES, REGULATIONS, PROCLAMATIONS AND REQUIREMENTS.**

19. **LICENSES, PERMITS AND NOTICES**

(a) Buyer shall obtain and pay for all required consents, approvals, licenses and permits which are in any way related to its purchase and removal of the Items, and Buyer shall give all required notices in relation thereto. Buyer hereby represents and warrants that it has obtained all such consents, approvals, licenses and permits, and Buyer shall furnish copies of the same to Seller upon request.

(b) All notices and other communications provided for in this Agreement shall be in writing and shall be effective upon receipt. Such notices and communications shall be given: (i) by hand delivery to an authorized representative of the party to whom directed; or (ii) by United States mail, postage prepaid; or (iii) by courier service guaranteeing delivery within two days or less, charges prepaid; or (iv) by facsimile, with confirmation of receipt, to the address of the appropriate party set forth below:

SELLER

Name: ConocoPhillips Company
Address:
935 North Eldridge Parkway
Houston, TX 77079

Contact Person:
Telephone:
Fax:

BUYER

Name:
Address:

Contact Person:
Telephone:
Fax:

Each party may change its address, contact person, or facsimile number at any time by giving written notice of such change to the other party in the manner provided above.

20. **ASSIGNMENTS.** Buyer shall not, without Seller's prior written consent, assign this Agreement or any of its rights or obligations under this Agreement. Any assignment in violation of this Article 20 will be null and void. Subject to the foregoing, this Agreement shall be binding upon, and shall inure to the benefit of, the successors and permitted assigns of Buyer and Seller.

21. **INTERPRETATION.** The headings in this Agreement are for convenience of reference only and shall not affect its interpretation or construction. When used in this Agreement, the singular form shall include the plural, and vice versa, and the use of any gender shall include all genders, as appropriate. The terms "herein", "hereinbefore", "hereinafter", "hereunder" and "hereof" shall refer to the entirety of this Agreement and shall not be limited in applicability to the Section in which they appear. The terms "including", "include", "such as", "in particular", and the like in this Agreement shall be deemed to be completed by the expression "but not limited to", and are to be construed without limitation.

22. **EXPORT COMPLIANCE.** Buyer agrees to abide by all applicable government export and re-export laws and regulations. Buyer agrees that no Items provided under this Agreement will be shipped, transferred, or re-sold to any persons or entities designated as a restricted party, or to countries against which the United States has imposed comprehensive economic sanctions.

(a) If the purchaser of any Item from Buyer takes delivery of such Item in the United States, and the final destination of the Item is outside the United States, Buyer expressly assumes responsibility for determining licensing requirements and obtaining export license authority.

(b) If any Item requires an export or re-export license or authorization to be shipped to the final destination, Buyer shall ensure that such authorization is obtained prior to export or re-export.

(c) **BUYER AGREES TO INDEMNIFY SELLER FOR ANY FINES, PENALTIES, CLAIMS, LOSSES, DAMAGES, COSTS (INCLUDING LEGAL COSTS), EXPENSES, AND LIABILITIES THAT MAY ARISE AS A RESULT OF BUYER'S BREACH OF THIS ARTICLE 22.**

23. **ENTIRE AGREEMENT.** This Agreement, as to its subject matter, exclusively and completely states the rights and duties of the parties; sets forth their entire understanding; and merges all prior and contemporaneous representations, promises, proposals, discussions and understandings by or between the parties. It may be amended only by a written amendment duly executed by authorized representatives of the parties.

Each of the parties has caused this Agreement to be executed by its duly authorized representative.

CONOCOPHILLPS COMPANY

BUYER

By: _____

By: _____

Name (print): _____

Name (print): _____

Position (print): _____

Position (print): _____

Date: _____

Date: _____

Electronic Signature Authorization. The Parties expressly agree that (A) the electronic signature of this Agreement by a Party is valid as an original signature of such Party and is effective to bind such Party to this Agreement; and (B) this Agreement, when signed electronically or manually, is to be deemed (i) to be "written" or "in writing"; (ii) to have been signed; and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. To the extent authorized or permitted by Applicable Laws, such paper copies or "printouts", if introduced as evidence in any judicial, arbitral, mediation, or administrative proceeding, will be admissible as between the Parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither Party shall contest the admissibility of true and accurate copies of this electronically signed document on the basis of the best evidence rule; or of it not satisfying the business records exception to hearsay rules; or of any other legal theory.