LETTER OF AGREEMENT

BETWEEN

CHEVRON NORTH AMERICA EXPLORATION AND PRODUCTION COMPANY, A DIVISION OF CHEVRON U.S.A., INC., SAN JOAQUIN VALLEY BUSINESS UNIT

AND

UNITED STEEL, PAPER AND FORESTRY, RUBBER, MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND SERVICE WORKERS INTERNATIONAL UNION, AFL-CIO, CLC ON BEHALF OF ITS LOCALS 12-6 AND 219

This Letter of Agreement ("LOA") is entered into by and between Chevron North America Exploration and Production Company, A Division of Chevron U.S.A., Inc., San Joaquin Valley Business Unit ("Company") and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO, CLC on behalf of its Locals 12-6 and 219 ("Union"), collectively "Parties".

The Parties recognize and agree that from time to time the Company may need to reassign employees between Kern River and Midway Sunset Areas to fill vacancies or new opportunities for employment in these Areas. When filling such vacancies or new opportunities for employment, the Company will use the following procedure:

- The Company will follow the job posting and bidding process set forth in the Parties' Articles of Agreement.
- 2. If the Company receives no bids on a posted job notice, the Company will seek volunteers among employees in the Kern River and Midway Sunset Areas.
- 3. If there are no volunteers among employees in the Kern River and Midway Sunset Areas, the Company will then seek volunteers among employees across all areas within the San Joaquin Valley Business Unit, including, but not limited to, McKittrick/Cymric, Lost Hills, Coalinga, and San Ardo.
- 4. If there are no volunteers, the Company will reassign employees using the following procedure:
 - a. Reassign the least senior qualified operator who has not bid or who has not successfully bid into a job.

- b. If paragraph (a) is not applicable, reassign the fieldman based on current training progression from the Kern River and Midway Sunset Areas to fill the vacancy or new opportunity for employment based on availability or leave.
 - i. If two (2) or more fieldmen have the same training progression and identical seniority date, either due to having been hired on the same date or through subsequent adjustment, the fieldman whose surname is lower in the alphabetical order shall be reassigned. For example, if Fieldman Adams and Fieldman Blake have the same training progression and identical seniority date, Fieldman Blake shall be reassigned. In the event two (2) or more fieldmen have the same training progression and identical surname, the first initial of the fieldmen's first names shall be the determining factor. For example, Fieldman Allen Smith and Fieldman Fred Smith have the same training progression and have the same seniority date, Fieldman Fred Smith shall be reassigned.
 - ii. For the purpose of this LOA, availability is defined as being able to return to work from an approved leave of absence within sixty (60) days of Company's notification of reassignment to the Union.
- c. An employee reassigned per this LOA will be in his permanent position for a minimum of six (6) months. The 6 month requirement does not apply to employees when bidding on competitive jobs for advancement.

The Parties agree to reengage should there be an unforeseen circumstance or situation that has an adverse impact on operations, assets or manpower.

This LOA shall become effective immediately on the date of signing and shall supersede all previous agreements and practices between the Parties with respect to this matter. This LOA further resolves any and all outstanding disputes between the Parties with respect to this matter.

Either the Company or the Union may terminate this LOA by providing a written notice of its intent to terminate this LOA. The termination shall be effective thirty (30) days from date of such written notification.

FOR THE UNION:

William Locke USW Staff Representative

FOR THE COMPANY:

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Idowu Okunzua HR Manager

10-24-14

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Date

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