

LETTER OF AGREEMENT

BETWEEN

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

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, 219 AND 1945

This Letter of Agreement ("Agreement") is made and entered into in accordance with the provisions of the National Labor Relations Act by and between the San Joaquin Valley Business Unit of Chevron North America Exploration and Production Company, A Division of Chevron U.S.A. Inc. ("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, 219 and 1945 (collectively "the Union"), for amended Articles of Agreement.

This Agreement is contingent upon ratification by the Union membership by 12:01 a.m., July 7, 2020. To the degree these changes require ratification by the membership, the Company and the Union agree that the Union Committee will recommend this package of changes to the membership for ratification vote. If the Union membership ratifies the amended Articles of Agreement by 12:01 a.m., July 7, 2020, said Articles of Agreement are to be effective immediately upon ratification as provided herein.

The parties agree to add the current SJVBU Bargaining Unit Operations and Maintenance employees represented by USW Local 1945 into the existing USW/Chevron SJVBU Collective Bargaining Agreement represented by USW Locals 12-6 and 219, excluding Office and Technical employees and any other employees previously excluded from the bargaining unit in the following cases: Case No. 21-R-3059, Case No. 21-R-3107, Case No. 20-RC-164, and Case No. 20-RC-275.

Amended Articles of Agreement

The amended Articles of Agreement shall incorporate the provisions of the Articles of Agreement in effect February 1, 2019 with the following revisions.

1. Amend Article V, Section H. Job Posting/ Bidding Process:

The Company will post notices of vacancies and new opportunities for employment, and employees who are interested and eligible shall be entitled to apply, in writing, within a period of seven (7) days. Bids for permanent jobs that the employee anticipates will be posted during the employee's absence due to vacation or sickness, may be completed by such employee, and mailed or given to the area personnel clerk. Such bids will be considered in making job awards. Upon employee's return to work such "open" bids are automatically void. An employee may not be awarded a permanent job more than three (3) times during the term of these Articles of Agreement unless the award is to a higher paid job classification, from Operator to Craft Helper,

or from a shift job to a day job. An employee must be in their permanent awarded position for a minimum of twelve (12) months.

If the Company chooses to fill the resulting position, the Company shall solicit volunteers. If multiple volunteers are identified, the Company may choose which employee to transfer from across the bargaining unit based on business need. If no volunteers are identified, the Company may re-assign which employee from across the bargaining unit to transfer based on business need. If there are no bidders for a position the Company may reassign employees across all fields based on business need and that given employee must stay in position for twelve (12) months. The 12 month requirement does not apply to employees when bidding on competitive jobs for advancement. Unless for circumstances that, in the opinion of the Company and the local Chairman of the Workmen's Committee or their designated representative, are extraordinary.

2. Add new Section Article V, Section J, Temporary Salaried Relief Assignments:

- a. All movements into a non-represented positions, except for regular promotions, shall be considered temporary. Such temporary positions will be made in a manner that will provide opportunities to gain experience for qualified employees whose past performance is satisfactory and to qualify a sufficient number of employees to suitably protect current and future operations.
- b. An employee who works on a non-represented assignment outside the scope of this Agreement, but within departments who are covered by this Agreement, will continue to accumulate all seniority rights for the purposes of placement, promotion, transfer, and demotion for up to (6) months from the last day worked under this Agreement. This (6) month maximum can be extended upon mutual agreement of the parties. The Company maintains sole discretion of selecting Employees to fill Temporary promotions into non-represented positions.

3. Amend Article V, Section D.3.a Fieldman:

A new employee starts as a Fieldman. Each Fieldman shall have a maximum of twelve (12) months to pass each course in Appendix B-1 and demonstrate ability in assigned tasks within the classification. A Fieldman shall be promoted to Operator B and, subsequently, to Operator upon passing each course and demonstrating ability. If a Fieldman does not pass all of the courses and demonstrate ability in assigned tasks within the classification within twelve (12) months, the Fieldman may be discharged from employment. It is agreed between the Company and the Union that no Fieldman shall be required to perform any duties to which employee is not checked off and can safely perform said duties. An individual employee's training period under this Section, may be extended up to an additional 60 days upon mutual agreement by both the company and the union.

4.

APPENDIX "B"
**FORMAL TRAINING REQUIREMENTS FOR
 ADVANCEMENT**
THROUGH JOB CLASSIFICATION STRUCTURE

APPENDIX "B-1"

OPERATOR	
Course Source-and Number (CBTs in CLMS provided by RDC)	Course Title
RDC-1204 Learning and Development	Hand Tool Basics
RDC-1421a Learning and Development	Well Pumping: Introduction to Sucker Rod Systems
RDC-1423a Learning and Development	Well Pumping: Sucker Rod Surface Equipment
RDC-1423b Learning and Development	Well Pumping: Operating Sucker Rods
RDC-1535 Learning and Development	Lease Automatic Custody Transfer (LACT)
Learning and Development	Oil field service computer application classroom training (examples may include but are not limited to: LOWIS, D7i, Catalyst, Energy Components, etc.)
Learning and Development	Oil and Water Process Plants Training
Learning and Development	Thermal Operations Training [equipment associated with Steam Generation and Distribution]

APPENDIX "B-3"

CRAFTSMEN/CRAFT HELPER – Machinery Repair	
Course Source & Number	Course Title
TCP Training Systems Unit 302 Learning and Development	Selecting and Using Lubricants
TCP Training Systems Unit 303 Learning and Development	Understanding Drive Components and Their Applications
Half-Way Point	
TPC Training Systems Unit 304 Learning and Development	Selecting and Maintaining Bearings
TPC Training Systems Unit 306 Learning and Development	Piping Systems
API – PILOT-Order 1084 Learning and Development	Internal Combustion Engines

5. Amend Article V, Section I Probationary Employees:
 Probationary Employees: It is the Company policy to have all new employees subject to a one (1) year probationary period. If during this one year period, in the opinion of the Company, an employee does not demonstrate adequate work performance or proper work behavior, employee may be terminated. **If training is extended by mutual agreement between the Company and the Union within the provisions of Article V.D.3.a the employees probationary period will also be extended by the same time period.**

6. Amend Appendix A-1, "Wage Schedule" to include:
 - a. **Head Operator – (Integrated Operations)**
 - b. **Pay is equivalent to "Head Operator-12 Hour" pay classifications in Appendix A-1.**

IN WITNESS WHEREOF, the Parties have agreed upon this Agreement this _____ day of June, 2020.

FOR THE UNION:

Date

FOR THE COMPANY:

Date