

**AGREEMENT
TO WORK COOPERATIVELY TO MAXIMIZE THE USE OF RECYCLED
WATER AND MINIMIZE GROUNDWATER PRODUCTION IN OIL REFINERY
OPERATIONS IN THE WEST COAST BASIN.**

This Agreement between ConocoPhillips and the Water Replenishment District of Southern California (collectively "Parties") is made and entered into this _____ day of _____, 2008.

RECITALS

1. Whereas the West Coast groundwater basin provides 60,000 acre-feet of potable and industrial water in an average year.
2. Whereas the State of California urges the use of recycled water for non-potable use, when available, in place of potable water.
3. Whereas recycled water is an alternative to groundwater for industrial users in the West Coast Basin.
4. Whereas the use of recycled water instead of groundwater could increase water supply reliability for industrial uses and reduce operating costs for groundwater management.
5. Whereas the recent discussion of California Assembly Bill 640 has served to re-invigorate efforts for public and private interests to work cooperatively to explore methods of reducing cost of groundwater replenishment in the West Coast Basin.

AGREEMENT

1. The Parties agree to work together to plan cost-effective approaches to maximizing the use of recycled water for industrial uses currently supplied by groundwater production.

CONOCOPHILLIPS

_____, 2008

By _____

Title _____

WATER REPLENISHMENT DISTRICT OF
SOUTHERN CALIFORNIA

_____, 2008

By _____

Title _____