

July 25, 2013

City of Norman

Public Works Department
201 West Gray Bldg. A
Norman OK 73069-73070

RE: Proposal Agreement

Cimmarron Gathering LP., hereinafter called "Company" owns a four inch steel pipeline in Norman OK, which Company utilizes in Natural Gas service.

City of Norman, Oklahoma, a municipal corporation, hereinafter called "City", has requested Company to Cut and Cap the existing pipeline at the proposed new City's ROW to abandon in place as shown on the attached plans. City agrees to reimburse Company in the extent and manner hereinafter stated for the cost of relocating said facilities that is for the benefit of City.

Company proposes to perform the necessary relocation of said facilities in accordance with the cost estimate, of which four copies each are attached. It is estimated that the City's total cost of the necessary work will be \$11,569. City, by accepting the proposal agrees to reimburse Company on a Lump Sum cost basis for this total amount.

It is further understood, by accepting this proposal, that City will reimburse the Company in accordance with this agreement within forty five (45) days after the said work has been completed and Company's statement for City's cost thereof has been submitted. Company respectfully requests that the City Council of Norman agree to the terms of this proposal by signing in the spaces provided below and returning one executed copy. Notwithstanding any clause of this agreement, the City's cost will be \$11,569

City Clerk

Date _____

Mayor City of Norman

Date _____


 Witness _____ Date 7-25-13

Bob Payne 7-25-13
Area Manager, Cimarron Gathering

Cimmarron Gathering LP**ESTIMATE OF MATERIAL AND LABOR REQUIRED**

AFE #:

INVESTMENT & CLEARING

TITLE: Cut and Cap 4 inch at Cedar Lane

MATERIAL

	QTY	UNIT COST	AMOUNT
Weld Cap.	4	\$ 17.91	\$ 72
Roascoate	1	\$ 50.04	\$ 50
			\$ -
			\$ -
Subtotal			\$ 122
Sales Tax	7.50%		\$ 9
Miscellaneous	0.00%	\$ 121.68	\$ -
Total Material			\$ 131

COMPANY LABOR

Company Inspector	10	\$ 27.07	\$ 271
Project Manager / Engineer	42	\$ 68.52	\$ 2,878
Right of Way / Legal	40	62.5	\$ 2,500
Total Labor			\$ 5,649

OUTSIDE SERVICES

Backhoe	10	\$ 75.00	\$ 750
Welder	10	\$ 75.00	\$ 750
2 man crew / Truck and Tools	10	\$ 90.00	\$ 900
Vacuum Truck	5	\$ 90.00	\$ 450
			\$ -
			\$ -
			\$ -
Total Outside Services			\$ 2,850

RIGHT-OF-WAY

ROW Easement			\$ -
ROW Surface Site			\$ -
ROW Damages			\$ -
Total Right-of-Way			\$ -

Other

Company vehicle inspector	284	\$ 0.565	\$ 160
Company vehicle Engineer	284	\$ 0.565	\$ 160
Total Other			\$ 321

AFE Estimate Subtotal**\$ 8,950****Overheads**

Overhead	16%		\$ 1,432.04
Payroll Burden	21%		\$ 1,186

Total AFE Estimate \$ 11,569**Companies Portion of Cost 0% \$ -****City of Normans Portion of Cost 100% \$ 11,569**

