

# AGREEMENT FOR THE HANDLING AND DISPOSAL OF PROCESSED WATER

THIS AGREEMENT made effective as of the \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

AMONG:

**PROCESSOR**  
(the "Processor")

- and -

**PRODUCER**  
(the "Producer")

**WHEREAS:**

- A. The Processor owns and operates a \_\_\_\_\_ Disposal Well and the related surface equipment as more fully identified on Exhibit A (hereinafter referred to as the "**Facility**");
- B. The Producer owns and operates a waste treatment facility (hereinafter referred to as the "**Plant**") at \_\_\_\_\_ and desires to dispose of processed water from the Plant;
- C. Processor has agreed to handle and dispose of Producer's processed water at the Facility on the terms herein set forth; and
- D. Processor and Producer desire to set forth the terms upon which such processed water was handled and disposed of and the disposal fee therefor.

**NOW THEREFORE THIS AGREEMENT WITNESSES** that in consideration of the premises and the covenants contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

## 1. DEFINITIONS

In this Agreement, including this clause, the recitals, and the exhibits attached hereto, the words and phrases set forth below shall have the following meanings:

- (a) "**Delivery Point**" means the point of delivery at the Facility at a location to be designated by Processor for processed water;
- (b) "**Disposal Well**" means the Well listed on Schedule "A";
- (c) "**Effective Date**" means the date set forth in Clause 5;
- (d) "**Facility Capacity**" means the volume of capacity at the Facility available for the handling and disposal of produced water;
- (e) "**Regulations**" means all statutes, laws, rules, orders and regulations in effect from time to time (including any amendments thereto or replacements thereof) and made by governments or governmental boards or agencies having jurisdiction over the Facility and Plant.

## 2. DELIVERY AND ACCEPTANCE

2.1. Subject to the terms of this Agreement, Producer shall, at Producer's sole cost, risk and expense, deliver to Processor at the Delivery Point, and Processor shall accept Producer's water and handle the same in the Facility.

2.2. Producer's water shall be accepted on the following basis:

- (a) Processed water delivered by Producer shall be accepted by Processor on a reasonable efforts basis only, and subject to the conditions of force majeure.
  - (b) Processor agrees to give priority to Producer's water over any third party's water.
- 2.3. Producer agrees that all processed water that it delivers to the Facility shall have been previously settled and shall be free of all extraneous matter which would ordinarily settle or be skimmed after settlement.

**THIS IS A 4-PAGE CONTRACT.**