

REIMBURSEMENT AGREEMENT

This Reimbursement Agreement ("Agreement") is entered into and effective as of ____ day of July, 2026, by and between the City of Broken Arrow, an incorporated municipality and a political subdivision of the State of Oklahoma ("City"), and Explorer Pipeline Company, a Delaware corporation with a physical address of 6120 S Yale Avenue, Suite 1100, Tulsa, Oklahoma 74136 ("Explorer"). City and Explorer may be referred to herein as a "Party", or collectively, the "Parties."

WHEREAS, City is currently planning a project to widen South 209th East Avenue from 41st Street to 51st Street in Broken Arrow (the "Project");

WHEREAS, Explorer owns and operates a twenty-four-inch (24") refined petroleum products pipeline (the "Pipeline"), which traverses the Project area;

WHEREAS, Explorer has agreed, subject to the terms and conditions herein, to perform all work necessary to wax fill the casing on the Pipeline where it crosses under South 209th East Avenue to accommodate the Project (as more particularly described in Exhibit B, the "Work"); and

WHEREAS, City has agreed to reimburse Explorer for its cost to complete the Work.

THEREFORE, Explorer and City agree as follows:

1. Description of Work. Explorer will complete or cause to be completed the Work.
2. Schedule of Work. Explorer will begin the Work promptly after execution of this Agreement, and will use commercially reasonable efforts to complete the Work by August 7, 2026, provided that there is no binding deadline for such completion. Explorer will provide notice to the City if it becomes apparent that the Work will not be completed by August 7, 2026.
3. Reimbursement Cost. City understands and acknowledges that Explorer will contract with third-party contractors to perform the Work. Explorer shall bill City for actual costs incurred to engage and utilize the contractor(s) who perform the Work. Explorer has provided an estimate of costs for the Work, inclusive of all applicable labor, materials, travel (including mileage, room and board, and per diem), taxes and overheads, in the amount of \$161,315.00 ("Estimated Cost"), as more particularly detailed in Exhibit A hereto. City understands that the Estimated Cost is an estimate only, based on the information and assumptions currently available to Explorer, and that such Estimated Cost shall not be construed as a limitation on the amount of Explorer's costs reimbursable under this Agreement. Explorer will submit an invoice to City at the conclusion of the Work, which will include all actual costs incurred by Explorer in connection with the Work, and City will pay Explorer the amount invoiced. Explorer shall provide backup documentation supportive of the amounts contained in the actual costs invoice.
4. Invoices. Payment shall be due and payable to Explorer by City at the conclusion of the Work within thirty (30) days of presentment of the invoice to City by Explorer.
5. Limitation of Damages. Except as expressly provided in this Agreement, neither Party, nor its respective elected or appointed officials, officers, directors, employees, agents, representatives, contractors, subcontractors, or affiliates, shall be liable to the other Party for any special, indirect,

incidental, consequential, punitive, exemplary, or multiplied damages, including without limitation lost profits, loss of revenue, loss of business opportunity, loss of use, business interruption, delay damages, or diminution in value, whether arising in contract, tort, negligence, strict liability, statute, or otherwise, even if such Party has been advised of the possibility of such damages.

Except for Explorer's indemnification obligations under Section 6, each Party's liability under this Agreement shall be limited to direct actual damages legally recoverable under applicable law. Nothing in this Section shall limit Explorer's liability for claims arising out of or resulting from the Work, the Pipeline, or the acts or omissions of Explorer, its contractors, subcontractors, consultants, employees, agents, or representatives.

Notwithstanding anything in this Agreement to the contrary, the City does not waive and expressly preserves all rights, defenses, immunities, exemptions, liability limits, damages caps, notice requirements, and other protections available to the City and its officials, officers, employees, agents, and representatives under the Oklahoma Governmental Tort Claims Act, 51 O.S. §§ 151 et seq., the Oklahoma Constitution, and any other applicable law. No provision of this Agreement shall be construed to create a debt, liability, or obligation of the City in violation of the Oklahoma Constitution or Oklahoma law, or to require payment of any amount except from legally available and appropriated funds.

The City shall not be liable for attorneys' fees, defense costs, settlements, arbitration awards, penalties, or other amounts unless expressly authorized by Oklahoma law and finally determined by a court of competent jurisdiction. No settlement, compromise, consent judgment, admission of liability, or arbitration award shall bind the City unless approved in writing by the City.

6. Indemnification. To the fullest extent permitted by law, Explorer shall indemnify, defend, and hold harmless the City of Broken Arrow, its elected and appointed officials, officers, employees, agents, and representatives from and against any and all third-party claims, demands, losses, damages, liabilities, judgments, costs, and expenses, including reasonable attorneys' fees, arising out of or resulting from the Work, the Pipeline, or the acts or omissions of Explorer, its contractors, subcontractors, consultants, employees, agents, or representatives, except to the extent caused by the negligence or willful misconduct of the City.

The City does not agree to indemnify, defend, or hold harmless Explorer or any other person or entity. The City shall be responsible only for its own acts or omissions to the extent liability is imposed by Oklahoma law, including the Oklahoma Governmental Tort Claims Act, 51 O.S. §§ 151 et seq. Nothing in this Agreement shall be construed as a waiver of any defense, limitation, exemption, notice requirement, liability cap, immunity, or protection available to the City, its officers, employees, or agents under the Oklahoma Governmental Tort Claims Act, the Oklahoma Constitution, or other applicable law.

7. No Joint Venture. It is agreed that City, Explorer, and Explorer's contractor(s) are all independent parties. Explorer is not affiliated with City in any way. It is further understood and agreed that Explorer is not a subcontractor of City, and is in no way affiliated with the Project or any other third-party or third-party beneficiary to the Project. Nothing in this Agreement shall be deemed to create a joint venture, partnership, tax partnership, employment or agency relationship between the Parties.

8. Assignment; Amendment. City shall not assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of Explorer, which consent may be withheld in Explorer's sole discretion. Any purported assignment or delegation in violation of this Section is null and

void. No assignment or delegation relieves City of any of its obligations under this Agreement. This Agreement may not be amended except by an instrument in writing, signed by each of the parties.

9. Governing Law & Jurisdiction. All matters arising out of or relating to this Agreement are governed by and construed in accordance with the internal laws of Oklahoma without giving effect to any choice or conflict of law provision or rule that would cause the application of the laws of any jurisdiction other than those of the State of Oklahoma. Any legal suit, action or proceeding arising out of or relating to this Agreement shall be instituted in the federal courts of the United States of America or the courts of the State of Oklahoma in each case located in Tulsa County, Oklahoma and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding.

10. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

11. Entire Agreement. This Agreement constitutes the entire agreement between Explorer and City with respect to the subject matter hereof and may not be amended, modified, or changed unless by an instrument in writing and signed by both Explorer and City.

12. Non-Appropriation; No Debt. The City's payment obligations under this Agreement are subject to the availability and appropriation of legally available funds. Nothing in this Agreement shall be construed to create a debt, liability, or obligation of the City in violation of the Oklahoma Constitution or Oklahoma law. The City shall not be obligated to make any payment except from funds legally appropriated and available for that purpose.

13. Governmental Tort Claims Act; No Waiver. Nothing in this Agreement shall be construed as a waiver of any immunity, defense, limitation of liability, damages cap, exemption, notice requirement, or other protection available to the City, its elected or appointed officials, officers, employees, agents, or representatives under the Oklahoma Governmental Tort Claims Act, 51 O.S. §§ 151 et seq., the Oklahoma Constitution, or any other applicable law. The City shall be liable only to the extent liability is imposed by Oklahoma law.

14. Authority and Approval. This Agreement shall not be effective unless and until approved by the Broken Arrow City Council or other legally authorized City official, as applicable, and executed by the City's authorized representative. Each person signing this Agreement represents that he or she has authority to bind the Party on whose behalf the Agreement is signed.

15. Public Records. Explorer acknowledges that the City is a public body subject to the Oklahoma Open Records Act. No provision of this Agreement shall require the City to withhold records or information in violation of Oklahoma law. If Explorer believes any material submitted to the City is confidential or exempt from disclosure, Explorer shall clearly mark the material as confidential and identify the legal basis for the claimed exemption. The City shall make the final determination regarding disclosure as required by Oklahoma law.

16. Insurance. Explorer shall require all contractors and subcontractors performing the Work to maintain insurance in commercially reasonable amounts for the nature of the Work, including commercial general liability, automobile liability, workers' compensation, employer's liability, and pollution/environmental liability where applicable. Upon request, Explorer shall provide certificates of insurance evidencing such coverage. Required insurance shall not limit Explorer's obligations under this Agreement.

17. Compliance with Laws; Permits; Safety. Explorer shall perform, or cause to be performed, the Work in a good and workmanlike manner and in compliance with all applicable federal, state, and local laws, regulations, permits, safety requirements, pipeline safety requirements, environmental requirements, traffic control requirements, and utility locate requirements. Explorer shall be responsible for obtaining all permits and approvals required for the Work unless expressly stated otherwise in the Scope of Work.

18. Scope of Work; Order of Precedence. The Work shall be limited to the work specifically described in this Agreement and the attached exhibits. In the event of a conflict among the terms of this Agreement and any exhibit, the following order of precedence shall apply: first, the body of this Agreement; and second, the Exhibit B; and third, Exhibit A. No conflicting, inconsistent, or additional term in any exhibit, invoice, purchase order, or other document shall modify this Agreement unless expressly approved in writing by both Parties.

19. Change Orders; Cost Overruns. Explorer shall not perform or charge the City for any material change in the Work, or any cost exceeding the Estimated Cost by more than ten percent (10%), unless the City has approved the change or overage in writing before the additional cost is incurred. Any request for additional compensation shall include reasonable supporting documentation. Costs incurred without required prior written approval shall not be reimbursable unless later ratified by the City in writing.

20. Invoice Review and Disputed Amounts. The City may dispute any portion of an invoice in good faith. The City shall pay undisputed amounts as required by this Agreement, but payment of any invoice shall not waive the City's right to challenge unsupported, unauthorized, unreasonable, or improperly billed charges. Explorer shall reasonably cooperate with the City's review of any disputed invoice.

21. Termination or Suspension. The City may terminate or suspend this Agreement upon written notice if the Project is cancelled, delayed, materially modified, funding is unavailable, the Work is no longer necessary, Explorer materially breaches this Agreement, or continuation of the Agreement is not in the City's best interest. In the event of termination, the City shall be responsible only for reasonable, documented, and authorized costs incurred before the effective date of termination, subject to the terms and limitations of this Agreement.

22. No Liens. Explorer shall not permit any lien, claim, encumbrance, or charge to be filed against City property, right-of-way, funds, or interests arising from the Work. Explorer shall promptly discharge or bond around any such lien or claim caused by Explorer or its contractors, subcontractors, suppliers, employees, agents, or representatives.

23. Notices. All notices required under this Agreement shall be in writing and delivered personally, by certified mail, return receipt requested, by nationally recognized overnight courier, or by email with confirmation of receipt, to the representatives designated by each Party. Either Party may change its notice address by written notice to the other Party.

24. No Third-Party Beneficiaries. This Agreement is entered into solely for the benefit of the Parties. Nothing in this Agreement shall be construed to create any right, claim, or cause of action in favor of any third party.

24. Survival. Any provision that by its nature should survive termination or expiration of this Agreement, including payment obligations for authorized costs incurred before termination, audit rights,

public records obligations, limitations of liability, no-waiver provisions, indemnity obligations, and dispute-related provisions, shall survive termination or expiration.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives to be effective on the date and year last written below.

CITY OF BROKEN ARROW

By: _____
Name: _____
Title: _____
Date: _____

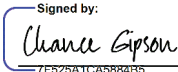
Attest:

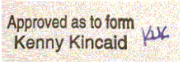
City Clerk [Seal]

Approved as to Form:

D. Graham Parker
Assistant City Attorney

EXPLORER PIPELINE COMPANY

By:  _____
Name: Chance Gipson
Title: VP Engineering
Date: 07/17/2026 | 6:15 AM CDT

DS

Approved as to form
Kenny Kincaid

07/16/2026 | 2:53 PM CDT

EXHIBIT A

Cost Estimate

Description: Wax fill of Casing to Accommodate Broken Arrow Project

					Estimate
A. Right-of-Way and Permits					
Permits	0 each	\$10,000.00 /each			\$ -
Right-of-Way					
Damages & Temporary Work Space	0 each	\$10,000.00 /each			\$ -
					- - - - -
Subtotal				\$	-
					- - - - -
B. Materials					
Testing Station Materials	1 each	\$ 750.00 /each			\$ 750.00
Misc. Cathodic Protection Material	1 each	\$ 2,000.00 /each			\$ 2,000.00
Miscellaneous Materials -	1 each	\$ 3,500.00 /each			\$ 3,500.00
Casing Pipe	0 ft	\$ 175.00 /ft			\$ -
Vent Pipe	0 ft	\$ 17.50 /ft			\$ -
					- - - - -
Subtotal				\$	6,250.00
					- - - - -
C. Company Labor and Expenses					
	Days	Hours	\$/hr	Total	
Area Supervisor	5	40	\$85.00	\$	3,400.00
Oper. Technician I	5	40	50.00	\$	2,000.00
Oper. Technician II	5	40	55.00	\$	2,200.00
EM. Technician I	5	40	65.00	\$	2,600.00
EM. Technician III	5	40	70.00	\$	2,800.00
Project Manager	5	40	160.00	\$	6,400.00
					- - - - -
	Trips	/trip			
Travel and Expenses		1	1,500.00	\$	1,500.00
					- - - - -
Subtotal				\$	20,900.00
					- - - - -
D. Main Contractor Labor and Equipment					
Lump Sum	1 each	\$100,000.00 /each			\$ 100,000.00
					- - - - -
Subtotal				\$	100,000.00
					- - - - -
E. Secondary Contractors					
Third Party Inspector	3 week	\$6,500.00 /week			\$ 19,500.00
					- - - - -
Subtotal				\$	19,500.00
					- - - - -
Subtotal Total				\$	146,650.00
					- - - - -
F. Overhead and Miscellaneous Costs					
Miscellaneous Contingency (10%)				10%	\$ 14,665.00
					- - - - -
Overhead Costs (18.37%)				0.00%	\$ -
					- - - - -

Subtotal \$ 14,665.00

- - - - -

TOTAL COST

=====

\$ 161,315.00



EXHIBIT B

Scope of work breakdown

The following comprises the scope of Work under this Agreement, provided that the items below may not be exhaustive and the term “Work” will be deemed to include any additional materials and work reasonably related to this scope:

- Excavate the Pipeline at the end of the existing casing on each side of South 209th East Avenue (the “Road”);
- Seal the ends of the existing casing and wax fill the casing;
- Remove the vent pipe on the east side of the Road;
- Install a cathodic protection test station on the west side of the Road;
- Excavate a threaded o-ring on the east side of the Road;
- Weld the threaded o-ring and cap with concrete to protect from drainage related excavation and erosion;
- Backfill excavations and return surface to prior condition.

Notes:

Explorer will be responsible for the performance of all Work, including the hiring and supervision of contractors, procurement of required permits (if any), safety, and inspection of the Work.

The Work as currently contemplated will not require any lane closures on the Road, and Explorer will not close any lanes without first notifying the City in writing and completing all required procedures for doing so.