

LABOR POLICIES

HOURLY RATED EMPLOYEES



TEXACO EXPLORATION COMPANY

CALGARY - ALBERTA

JUNE 1, 1958

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HOURS OF WORK

- A. The established work day, for payroll purposes, shall be defined as a twenty-four hour period beginning at 12:01 A.M. and ending at 12:00 P.M. midnight.

The established work week, for payroll purposes, shall be defined as seven consecutive days beginning at 12:01 A.M. Sunday and ending at 12:00 P.M. midnight Saturday.

The normal shifts for operational work shall be:

12:00 Midnight to	8:00 A.M. (night shift)
8:00 A.M.	to 4:00 P.M. (day shift)
4:00 P.M.	to 12:00 Midnight (evening shift)

and any employee who is assigned to a regular work schedule involving these shifts shall be termed a shift employee as differentiated from an employee who normally works during the hours from 8:00 A.M. to 12:00 Noon and from 12:30 P.M. to 4:30 P.M.

- B. Working time for employees will not exceed eight hours in any one day or shift, nor forty hours in any workweek without the payment of time and one-half for all hours worked in excess thereof, except as provided by special agreement (e.g. Resident Pumpers).

All time worked in excess of an employee's scheduled work day or shift, as prescribed, will be considered as overtime and will be compensated for at the premium rate. In the event an employee works in excess of forty hours during the workweek in which such overtime occurred, the overtime already credited on a daily basis will be deducted in the computation of overtime for that workweek, except as provided for otherwise in these policies.

- C. Regular work schedules ordinarily will be maintained but irregular work hours may be required in order to maintain continuity of operations, provide for vacation and other relief, and handle rush and emergency work. To the extent practicable, regular days off duty, if more than one (1) in a workweek, shall be scheduled consecutively.
- D. Employees who are required to report for work ahead of their regular schedule will be permitted to work their normally scheduled hours in addition to any hours worked ahead of schedule, weather conditions and physical conditions of the men permitting, and provided there is work to perform. The Supervisor in charge will determine whether these conditions are favorable or unfavorable.
- E. If an employee is called back outside of his regular working hours, he shall receive pay for not less than the equivalent of four (4) hours at the regular rate whether or not his services are used. Such hours paid for but not worked shall not be considered for the purpose of computing over-time.
- F. An employee not reasonably notified to the contrary who reports for work as scheduled and for whom no work is provided shall receive a minimum of three (3) hours' pay at the regular rate; if any work is required, he shall receive a minimum of four (4) hours' pay at the regular rate. Such hours paid for but not worked shall not be considered for the purpose of computing overtime.
- G. For time lost by an employee from his scheduled hours due to illness, inclement weather, or excused absence for personal business, the Company will, insofar as practicable, consistent with good operating practice, and when there is work to be done, permit the employee, within the workweek, to make up the time so lost by working on his regular day (or days) off. Such employee shall be paid the regular rate for the classification in which he may work while making up such time but an employee will not be permitted to make up lost time on any

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ARTICLE I

COVERAGE

The following will apply throughout the Texaco Exploration Company to all hourly rated employees, exclusive of Geophysical employees. The policies announced herein will be effective until amended or terminated by the Company.

ARTICLE II

EMPLOYEES' DUTIES

- Employees are expected to perform any duties which the Company may assign.
- In general, the Company will endeavor to assign work peculiar to one classification to employees in such classification; but all work incident to or in connection with good housekeeping, running maintenance, and the like, which, in accordance with Company custom, is usually performed or done by employees as an incident to their regular work, will insofar as practicable, be performed or done by such employees.
- Employees are expected to report to work in physical and mental condition to satisfactorily perform their duties in every respect. Accordingly, they are expected to refrain from outside activities that would interfere with or impair their efficiency.

occasion if by so doing, overtime or premium rates are required by law or by the provisions of these policies.

ARTICLE III
(As Amended June 1, 1959)

- H. When an employee is required to work on his regular day off, he shall be paid time and one-half for work performed on that day. Time and one-half for working on the off-day will not be paid when any one of the following changes is involved:
1. Permanent changes in schedule of off-days through promotion or change of jobs.
 2. Changes in off-days made for the accommodation and convenience of the employee, at the employee's request.
 3. Changes in off-days caused by an employee relieving another employee for a full week or more. In this event the schedule of the employee relieved becomes the schedule of the employee relieving, and the time and one-half will not be paid for working on an off-day under these circumstances.

- I. The working time of employees shall begin when they have reported for work at the designated time and place. If, upon reporting, an employee is then instructed to report at another place for work, his working time shall begin at the time and place he first reported.

When an employee is requested to report temporarily at other than his regular place of work and additional travel time is required, he will be paid at his regular rate for such additional travel time, not to exceed eight hours in a calendar day.

- J. No shift men shall be required to work more than two successive shifts without relief.

ARTICLE IV

WAGES AND RATES OF PAY

- A. Employees will receive not less than the wage rate provided for the classification of work performed, taking into account temporary differentials for inexperienced employees in beginning jobs, the rate to become effective immediately upon the employee taking over the duties of the job on his own responsibility under normal supervision.
- B. An employee regularly employed in different classifications carrying different rates of pay will be paid the rate applicable to the classification in which he is working.
- C. An employee regularly employed in one classification will, if transferred to work carrying a higher rate, begin to receive such higher rate immediately upon transfer; but if he is transferred to work carrying a lower rate of wage, no change in rate shall be made for the day of transfer or the following day but thereafter he shall begin to receive such lower rate.
- D. Shift employees, as defined in Article III, Paragraph A, will be paid in addition to their basic rate, the differentials of eight (8) cents per hour for work performed during the evening shift, and sixteen (16) cents per hour for work performed during the night shift. Daylight workers shall receive the shift differential rate when they are required to work overtime as much as four hours or more into the evening shift.
- E. There shall be no pyramiding of the various premium, penalty, or overtime rates for the same hours or days worked.

ARTICLE V

PROMOTIONS AND REDUCTIONS IN FORCES

- A. The Company recognizes that length of service should be given important consideration for purposes of promotions, demotions, transfers and layoffs, and pledges itself to give such consideration. The Company also believes it is important, as well as fair, to recognize demonstrated ability and performance for such purposes. Therefore, when personnel changes are to be made, the Company will give careful consideration to both the length of service and the demonstrated ability of employees.
- B. The Company will exercise extreme care in the selection of employees for supervisory positions, and the main factor to be considered in filling such jobs is demonstrated ability and leadership.
- C. Until an employee has actually been in the employ of the Company for a period of four consecutive months, he is considered as being a temporary employee and has no seniority. After the completion of four consecutive months service, however, his seniority begins with the day of his latest employment by the Company.
- D. When an employee with as much as one year of continuous service is laid off and is re-employed within 365 consecutive days, he is given the seniority rights he has accrued at the time of lay-off. The same holds true for an employee with as much as four months but less than one year of continuous service, if re-employed within 180 consecutive days.

An employee with less than four months of continuous service who is laid off for a period in excess of fourteen days retains no seniority rights and if re-employed must start over as a new employee. If such an employee returns to

active duty within fourteen days, his service accumulated to date of lay-off will be reinstated.

- E. If an employee is absent on approved leave on account of illness or temporary physical incapacity, such absence shall not break his continuous service.
- F. When an employee is promoted he will be allowed a reasonable length of time to establish his fitness and ability to perform the new duties to which he is assigned.
- G. Any employee, who, after being promoted is unable to properly perform the duties of the job after a reasonable trial, may be returned to the classification occupied immediately preceding his promotion.

ARTICLE VI

EMPLOYMENT OF RELATIVES

It is contrary to the policy of the Company for any man to be employed where the conditions of employment, opportunities for advancement and any other matters affecting his employment may normally be influenced by a relative who is an employee of the Company.

ARTICLE VII

EXPENSE ALLOWANCE

- A. When an employee is required by the Company to remain away from his regular headquarters overnight to perform work to which he has been assigned, the Company will reimburse him for reasonable transportation and living expenses while he is so assigned.

- B. When an employee is transferred at the request of the Company through promotion or otherwise, the Company will pay all reasonable expenses incident to such move, including transportation and cost of moving household furniture and effects. A reasonable expense allowance, if necessary, will be made for the first few days after the employee so transferred has reached his new place of residence.
- C. Employees who may be permitted to move from one location to another solely as an accommodation to themselves, or for reasons not otherwise covered herein, will pay their own moving expenses.
- D. When an employee is required to work overtime in excess of two (2) hours past his regular quitting time, the Company will, insofar as practicable and reasonable to do so, supply such employee with a meal at its expense. In the event the work continues beyond the two (2) hours period, additional food shall be supplied at as near five (5) hour intervals as possible.

ARTICLE VIII

CAR MILEAGE ALLOWANCE

- A. Employees who arrange with the Company to use their personal automobiles in Company service will be paid a rental for the use of their cars according to the following schedule:

First 1,000 Miles per Month - 8 cents per Mile
Over 1,000 Miles per Month - 7 cents per Mile

- B. The foregoing rates will be used in arriving at monthly rental payments to be made Pumpers or others who arrange with the Company to use their personal automobile in their work on a fixed monthly basis. The monthly fixed payments will be determined by the Foreman and the Pumper, or other

employee involved, by aggregating the approximate average mileage required per month to perform the work and multiplying such mileage by the applicable rate, or rates, above. Mileage travelled in going to and from work will be excluded in determining the mileage for which such payments are made. Changes in the monthly fixed payments shall be made from time to time when the mileage required to perform the work may fluctuate up or down. Such monthly fixed payments as above determined are subject to review and approval by the District Superintendent or higher authority before they become effective.

- C. Upon the recommendation of the department head, an employee may receive an allowance for the use of his personal automobile in travelling between his home and place of work. Such allowance shall be paid at the rate of eight cents per mile for mileage travelled outside a ten-mile radius from the place of work and shall be limited to thirty miles daily. Employees may receive the allowance for a period up to six months from the initial date of assignment to a field location.
- D. Where two or more employees, living in the same vicinity, report to work together at the same field or area, and such employees are eligible to receive allowances in accordance with Paragraph C, they will be expected to pool their transportation. One (1) cent per mile in addition to the rate stated in Paragraph C will be paid when an employee transports two men or more in the car including the driver.

ARTICLE IX

EMPLOYEE BENEFIT PLANS

The Company's Vacation Plan, Accident and Sick Benefit Plan, Pension Plan, Savings Plan, Hospital and

Surgical Plan, and Group Life Insurance with Total and Permanent Disability Plan respecting dependents of employees or any other plans adopted by the Company or the rules and regulations in respect thereto, will be administered in accordance with the provisions of such plans and the rules and regulations of the Company, pertaining thereto.

ARTICLE X
(As Amended June 1, 1959)

HOLIDAYS:

A. The following nine holidays will be recognized by the Company:

New Year's Day	Thanksgiving Day
Good Friday	Remembrance Day
Victoria Day	Christmas Day
Dominion Day	Boxing Day
Labour Day	

B. In the event the holiday falls on a Saturday or Sunday and there is no proclamation requiring its observance on another day, the Company will observe the holiday on Monday instead of Sunday and on Friday instead of Saturday, except where local custom and/or area practice has established some other alternate day. The day of observance by the Company shall be considered to be the holiday except in the case of other than Monday to Friday workers, who will observe the statutory date.

C. Hourly rated employees not required to work on one of the foregoing nine holidays observed by the Company shall receive holiday pay, equivalent to eight hours at their normal straight time rate, excluding shift differentials. The eight hours of holiday pay will not be included for the purpose of determining overtime for hours worked over forty in a work week.

D. Hourly rated employees required to work on any of the foregoing nine holidays shall, in addition to holiday pay as provided in Section C of this Article, receive pay at the rate of time and one-half for work performed.

E. Whenever possible, employees will be permitted time off to observe holidays. Should a holiday be observed on a regular day off, the employee will be paid as in C above and when work permits may be granted an alternate day off without pay in the same work week.

F. When any one of the nine holidays recognized by the Company falls within an employees' vacation period, the employee shall be allowed one additional day of vacation with pay or if work does not permit an additional day off the employee shall be paid holiday pay equivalent to an additional eight hours at the normal straight time, excluding shift differential.

G. Any employee shall not be paid holiday pay as provided in Section C of this Article, who

1. is requested to work on a holiday and does not work, or
2. is absent without leave on the day prior to or the day following the holiday, or
3. is on leave of absence without pay.

ARTICLE XI

JURY DUTY

Hourly rated employees will continue to receive their regular rate of pay for scheduled time absent on account of jury duty, but the scheduled time so spent will not be used in computing hours worked for the purpose of determining overtime.

ARTICLE XII

RETURNING VETERANS

- A. Employees on Military Leave, upon return to the Company, shall be entitled to reinstatement in accordance with the Military Policy of the Company.
- B. In order to make a place for such an employee upon his return to the Company, any person who as a result of the absence of such employee has been promoted, transferred, or hired, shall be subject to demotion, transfer or lay-off, as the case may be.

ARTICLE XIII

PHYSICAL EXAMINATIONS

- A. Applicants for initial employment and for employment after a lay-off of more than one-hundred-eighty (180) consecutive days, shall submit to a physical examination by a physician appointed by the Company. Except in special circumstances, the Company will not hire any such applicant who is found not to meet the minimum physical requirements of the Company for the job for which he is making application.
- B. Before any person is rehired after a lay-off of one-hundred-eighty (180) consecutive days or less, he may be required to furnish a certificate signed by the local physician appointed by the Company showing that he meets the Company's minimum physical requirements for the job for which he is to be rehired.
- C. When an employee returns to work after being absent due to illness or physical impairment, the

Company may require him to furnish a certificate signed by a physician appointed by the Company showing that he is physically fit to return to work.

- D. The Company may, in cases of constantly recurring absences from duty or in other exceptional cases, require the employee to submit to an examination by a physician appointed by the Company.
- E. An employee subject to lay-off, discharge, or leave of absence may upon request obtain, or the Company may require that he submit to a physical examination by a physician appointed by the Company, at the expense of the Company.

ARTICLE XIV

DEATH IN IMMEDIATE FAMILY

In cases of death in an employee's immediate family, the Company will allow the employee the necessary time off not to exceed three (3) scheduled work days at his regular straight time rate, exclusive of shift differentials. "Immediate Family" for the purpose of this article shall include only an employee's wife, children, parents, brother or sister, mother-in-law, or father-in-law.

ARTICLE XV

FIRST AID, SAFETY AND SANITATION

- A. The Company's policy with respect to the training of its men in First Aid work is that of offering to all employees the fundamentals of First Aid to the end that each employee is sufficiently informed in the respect to render essential First Aid treatment to his fellow employees, any member of his family or other persons.
- B. Safety and Sanitation has its important and proper place in our field organization and Supervisors

will give due consideration to these factors in accordance with the Company's general plan for safety in accordance with a reasonable view-point as to sanitation and living conditions in general.

ARTICLE XVI

MANAGEMENT-EMPLOYEE RELATIONSHIPS

The Company believes in a fair and square deal both ways; fairness to the Company on the part of the employee, and fairness to the employee on the part of the Company. When the employee is not giving satisfaction, we believe, in fairness to all concerned, he should be told about it and that proper action should be taken. We also believe that any employee should have an opportunity to register a complaint when he feels aggrieved for any reason. In fact, we urge employees to do so in order that misunderstandings may be cleared up. Prompt and careful consideration will be given to such matters.

To provide an orderly procedure, any employee or group of employees may present complaints or grievances to Management in accordance with the following:

FIRST, the employee or employees affected may make a complaint to the immediate Supervisor or Foreman.

SECOND, if satisfaction is not obtained in that manner within a reasonable time, the employee or employees affected may take up the matter in writing with the District Superintendent or Department Head.

THIRD, if satisfaction is not obtained there within a reasonable time, the employee or employees affected may present the matter in writing to the Manager.

Calgary, Alberta
June 1, 1958

S. A. BERTHIAUME
Vice-President & Manager
Texaco Exploration Company