

SHIP TRAFFIC OPERATING PROTOCOL FOR THE SABINE-NECHES WATERWAY

THIS VOLUNTARY SHIP TRAFFIC OPERATING PROTOCOL (the "Protocol"), is made and entered into as of November 20, 2009, by and between the Southeast Texas Waterways Advisory Council (SETWAC) and the Sabine Pilots Association, collectively, the "Parties".

WITNESSETH:

WHEREAS, the Texas Transportation Code sets forth the compulsory Pilotage requirements in those waterways encompassing the Sabine-Neches waterway;

WHEREAS, Chapter 25 of Title 33 U.S. Code (Ports and Waterways Safety Program) and the regulations set forth in Title 33 of the Code of Federal Regulations endows the U.S. Coast Guard Captain of the Port with the authority to manage those navigable waterways of the United States within that Captain of the Port's defined boundaries;

WHEREAS, the charter of the Southeast Texas Waterways Advisory Council (SETWAC) allows regional stakeholders including but not limited to Port Authorities, shipping agents, marine terminals and the Sabine Pilots Association to develop policies and procedures for the safe and secure movement of commerce in the Sabine and Neches rivers and their approaches; and

WHEREAS, the aforementioned authorities permit stakeholders to provide advice and guidance to the applicable regulatory authorities – consistent with the Federal Advisory Committee Act – and the following protocol is intended to enhance navigation safety, define best practices and establish an equitable and fair approach to vessel traffic management consistent in accordance with the goals and intent of the Port and Waterways Safety Act:

NOW THEREFORE, in consideration of the mutual agreement of the shipping industry, waterway stakeholders, and with support of the U. S. Coast Guard and SETWAC, the following Protocol shall be administered by the Sabine Pilots Association.

VESSEL TRAFFIC COORDINATION

For vessels requiring or requesting a State Pilot, the Sabine Pilots will coordinate vessel movements in the waterway utilizing best vessel dispatch procedures consistent with overall efficiency and safety of the waterway. This shall include the coordination of such efforts with Vessel Traffic Service (VTS) Port Arthur as set forth in the VTS Port Arthur User Manual. In order for the Pilot Dispatch Office to do this, it is very important that the Pilot Office be kept well informed of expected vessel arrival and sailing times.

- The following procedure should be followed as closely as possible to enable the Pilot Office to make the most efficient use of the waterway in an effort to reduce delays. Advise the Pilot office as far in advance as possible but not less than four hours of any vessel's ETA and destination, along with its deep fresh water draft, air draft, length, beam, and DWT.
- Keep the pilot office abreast of any changes in ETA.
- When a vessel is in port, give notice as soon as possible, but not less than two hours of the vessel's ETS and deep fresh water draft.

The Pilots have agreed to, upon reasonable request, make available information to all impacted stakeholders as to the expected traffic schedule and any events that might cause delays.

NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED AS LIMITING THE EXERCISE OF A PILOT'S GOOD JUDGMENT.

TURNING BASINS

In order for the limitations on vessel movements to be kept at a minimum, it was agreed to utilize the turning basins at FINA and SUN OIL for the meeting of two vessels when circumstances make it unsafe for the vessels to meet. Based upon the pilots' discretion and vessel traffic flow, and in coordination with the Vessel Traffic Service, the inbound or outbound vessel will utilize the basins and allow the other vessel(s) passage. It is understood that tugs will be required to hold the vessel in the turning basins during this operation. The Pilot office will advise interests involved as to times vessels can be handled in these situations. If these basins are utilized properly, while perhaps causing a temporary delay in some cases, time on the inbound or outbound vessels can be gained. It is agreed that designated turning basins normally will not be used for anchorage. Vessels will vacate the basins as soon as possible.

VESSEL MOVEMENT AND MEETING LIMITATIONS

Vessels with any of the following criteria will move during daylight hours only above TEXAS ISLAND intersection.

- Vessels with a deadweight of 85,000 metric tons or greater
- Vessels with a LOA of 875 feet or longer
- Vessels with a beam of 125 feet or greater

Vessels with any of the above criteria may be shifted at any time to a nearby anchorage or adjacent dock at the discretion of the Pilot Office.

Vessels with a combined beam that equals or exceeds one-half the channel width will not meet day or night.

Vessels 85,000 metric deadweight tons or more will not meet vessels of either 30,000 metric deadweight tons or more, or 25 foot draft or more above TEXAS ISLAND intersection.

Vessels 85,000 metric deadweight tons or more will not meet vessels of 30,000 metric deadweight tons or more with a draft of 30 feet or more, above buoys 29 and 30.

Vessels 48,000 metric tons or more with a draft of 30 feet or more will not meet above buoys 29 and 30.

Vessels with a combined draft of 70 feet or more will not meet between the Neches River intersection and daybeacon #40 (Smith's Bluff) at night. Vessels with a combined draft of 65 feet or more will not meet above daybeacon #40 at night.

Meeting in bends should be avoided whenever possible or practical.

Vessels with a beam equal to or greater than one-half the width of the channel will move during daylight hours only in the Sabine River (200' wide Federal Channel leading to Orange).

DRAFT LIMITATIONS

The Federal waterway project depth currently allows vessels to transit with a maximum 40 foot draft. However, the most recent US Army Corp of Engineer's Hydrographic report, prevailing weather, and tidal conditions will govern the Sabine Pilot policy on maximum draft limitations.

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CHECK POINTS

Notwithstanding VTS reporting points as set forth in the VTS Users Manual, vessels shall report to the Pilot Office at the below listed check points as well as upon departure from a berth or anchorage. The dispatcher will use this information to ensure compliance with the above provisions of this agreement.

1. Sabine Bank Buoy, "SB", Lat 29-25N Long 93-40W;
2. Buoys 29 and 30: Lat 29-36N Long 93-48W;
3. Daybeacon #40 on Sabine-Neches Canal; Mesquite Point;
4. Port Arthur turning basin;
5. Daybeacon #65; Neches River Intersection;
6. Daybeacon #40 in the Neches River.
7. Daybeacon #22 on the Sabine River at Orange Cut.

GENERAL GUIDELINES FOR VESSELS REQUIRING TWO PILOTS

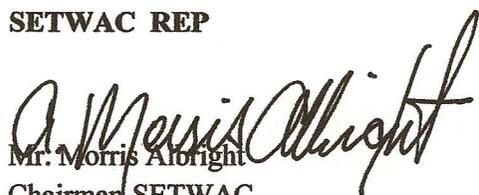
Definitions: A Two Pilot Vessel is any vessel that meets either or both of the following criteria:

- Length Over All (LOA) of 860 feet or more.
- Beam of 120 feet or more.

Certain non-descript vessels, drill rigs, dead tows, etc. shall be considered by the Pilots on an individual basis to determine if two pilots are necessary.

In witness whereof, this agreement is executed the date first set forth herein.

SETWAC REP


Mr. Morris Albright
Chairman-SETWAC

SABINE PILOTS ASSOC. REP


Capt. Charles A. Tweedel
President-Sabine Pilots Assoc.

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