PROCUREMENT CONTRACT
BETWEEN
MONTEREY BAY AQUARIUM RESEARCH INSTITUTE
AND
ENVIRONMENTAL CROSSINGS, INC.

This Procurement Contract ("this Contract"), effective September 8th, 2005, is between Monterey Bay Aquarium Research Institute ("MBARI"), having an office at 7700 Sandholt Road, Moss Landing, California 95039-0628, and Environmental Crossings, Inc., having an office at 868 Robinwood Court, -Traverse City, Michigan 49686 ("ECI"). This Contract is made with reference to the following recitals:

WHEREAS, MBARI is the recipient of a grant (the "Prime Award") from The National Science Foundation (the "NSF"), which is identified as Grant Contract Number OCE-0222650, entitled "Monterey Accelerated Research DWSCO";

WHEREAS, MBARI desires that ECI perform certain work under the Prime Award, and ECI is willing to undertake such work in accordance with the terms of this Contract; and

WHEREAS, ECI possesses the facilities, personnel and/or professional proficiency requisite to conduct work of the nature contemplated by this Contract.

In consideration of the mutual promises contained herein, the parties agree, as follows:

I. DESCRIPTION OF PROFESSIONAL SERVICES

Monterey Accelerated Research DWSCO (MARS) is a project to build a science cabled observatory in Monterey Bay, CA. MARS will be a demonstration of a larger deep-water science cabled observatory (DWCSO) that was conceived, and is being developed by a consortium (the Consortium) consisting of; the Applied Physics Laboratory at the University of Washington, (APL), the Jet Propulsion Laboratory (JPL), MBARI, and the Woods Hole Oceanographic Institution (WHOI). The program management of the test bed for the DWCSO in Monterey Bay is being led by MBARI.

ECI shall be responsible for performing horizontal directional drilling ("HDD") at MBARI's site at the end of Sandholdt Road, parcel #133-252-001, Moss Landing, California in order to create a bore of approximately 4,700 feet in length through which the cable assembly for MARS will be inserted by another contractor. ECI's services will be performed in accordance with the following Terms and Conditions and the appendices attached to this Contract and are described in more detail in the Technical Specifications attached as Appendix E and in the other appendices. MBARI shall be responsible for contractual arrangements with the other members of the Consortium.

II. MBARI AND ECI ADMINISTRATIVE CONTACTS

CONTRACTUAL CONTACTS:

MBARI Contract Manager: Keith Raybould, Chief Operating Officer	ECI -Contract Manager Philip Andrus, President
TECHNICAL CONTACTS: MBARI Technical Representative:	ECI Technical Representative/Project Manager William Gardner
Tel. No. 831 775 1828 Fax No. 831 775 1620	Tel. No. 936-441-9080 Fax No. 936-441-9082

The above Contractual Contacts are the only persons authorized to approve changes to this Contract for their respective parties. The above Technical Contacts shall act on behalf of the respective parties for the purposes of exchanging information relative to the technical aspects of the Work. In no event shall any understanding, agreement, modification, change order, or other matter deviating from the provisions of this Contract bind either party unless authorized in writing by the Contractual Contacts.

In consideration of the mutual obligations assumed under this Contract, MBARI and ECI agree to the Terms and Conditions attached hereto and incorporated by reference and represent that this Contract is executed by duly authorized representatives as of the dates below.

AGREED BY:

MONTEREY BAY AQUARIUM RESEARCH INSTITUTE	**ENVIRONMENTAL CROSSINGS, INC.**
By:	By:
Name: C Michael Pinto	Name: Philip R. Andrus
Title: CFO	Title: President
Date: 9/14/05	Date: Date

TERMS AND CONDITIONS

1. Effective Date; Term. This Contract shall be effective as of the date first above written (the "Effective Date"), and shall continue in full force and effect until the Services have been completed or the Contract has been terminated in accordance with section 15 below, whichever first occurs.

n) Provide the documentation outlined in Appendix F.

o) Ref Appendix E Technical Specifications, Paragraph E5.3 and E6.1 and 2. ECI will furnish this third-party service in E5.3 at cost + 10% including any material purchases. Any shut down/lost time caused by rhodamine dye detection will be at the contractual standby rate after crew production is halted for more than 2 hours per occurrence. Paragraph E6.1 and 2 will be performed at the supplied T & M rate schedule.

<u>3. Price.</u>

a) MBARI shall pay ECI $473,744 (four hundred seventy three thousand, seven hundred and forty four dollars) for performing the Work. Due to increasing fuel and drill pipe pricing, this price is good until 90 days from date signature of this Contract Any work begun after that date may necessitate a price adjustment for fuel and drill pipe. ECI is authorized to purchase drill pipe, flange materials, check valves, up to $75,000. After the purchase, ECI shall submit an invoice to MBARI for the cost of the materials, and MBARI shall pay the invoice within 15 days of receipt on this advance purchase only.

b) Except as provided otherwise this contract, all expenses (including without limitation, expenses related to overhead, travel, transportation, taxes, duties, fees, salaries, subcontracts, subsistence, offices, plant, facilities, furnishings, equipment, materials, supplies, utilities, insurance, shipping, word processing, document production, and other similar items and supplies) incurred in performing the Work are included in the Contract Price.

c) MBARI has budgeted one day of weather standby time for drilling operations only. Since an exact construction time frame has not been established, we cannot get a historical feel for sea state conditions at time of construction. Any standby for drilling AFTER one day of standby will be charged at the standby rate in subparagraph 3(d) below.

d) A standby rate of $12,500.00 per day (10-hour day) for the drilling crew and $4,600.00 per day (8-hour day) for the marine subcontractors applies to all delays and work stoppages which arise through no fault of ECI, except for the one day of weather standby time referred to above.

e) No decompression chamber is included in the contract price assuming all diver work will be performed in water depths no greater than 50 feet. If a decompression chamber is needed, MBARI will reimburse ECI for direct costs of the decompression chamber.

f) If the situation arises in Appendix B, ECI will perform these activities in conjunction with MBARI at a Time and Materials rate to be furnished by ECI.

g) The costs for the Work does not include the following:

- The costs of any required monitoring (for frac-out) boat.
- Additional costs resulting from omissions or errors in information provided by MBARI, man made or natural obstructions encountered that require substantial deviation from the Work described in this Contract.

- Additional costs that are the direct result of conditions in the permits that ECI is not aware of at the time of signing this Contract.

If any of the above are encountered or required, MBARI will re-imburse ECI for these additional costs plus 10%.

Costs associated with handling rock formations. If encountered, a renegotiated footage rate or day rate will apply.

4. Payment Terms.

a) ECI shall submit an invoice to MBARI for full payment after acceptance of the Work. MBARI will pay ECI within 30 days of receiving the invoice (with the exception in para 3(a)).

b) Invoiced amount is payable by either electronic funds transfer (EFT) or by mail to the following location(s):

EFT Address: 901 S. Garfield Ave, Traverse City, MI 49686

Account Number: 62-3007463-2

Bank Name & Address:
National City Bank
901 S. Garfield Ave
Traverse City, MI 49686

ABA Routing Number: 072000915

Bank Address: See Above

Bank Contact: Chad Dutmers
Telephone: 231-935-1332
Fax: 231-935-1329
Email: chad.dutmers@nationalcity.com

Mailing Address: Same as above

5. Late payment of Invoice. If MBARI fails to pay the total amount of an invoice within thirty (30) days of the date of such invoice, interest compounded at the rate of one and a half percent (1.5%) per month shall thereafter be added to all amounts unpaid and outstanding.

6. Liquidated Damages

a) ECI shall pay MBARI 2% of Contract Price as liquidated damages for each full week of delay in completion of the Work (completion date is defined as the date when the HDD pipe is ready to allow the start of pulling the marine cable into the HDD pipe) up to a maximum of 10% of the Contract Price. The parties agree that it will be difficult to ascertain MBARI's damages resulting from the delay in completion of the Work and intend the foregoing liquidated damages to compensate MBARI fully for any such damages

b) The start date for calculating liquidated damages will be eight (8) weeks after MBARI provides written notification to ECI to start work. Delays caused by circumstances entirely out of the control of ECI shall delay the start date of the calculation of liquidated damages by an equitable duration.

c) Liquidated damages will be deducted from ECI's final invoice.

7. Schedule of Work

a) ECI shall not commence mobilization or site work until MBARI has given ECI notice to start the Work once all necessary permits are in hand.

b) After receiving written notification from MBARI to start the Work, ECI shall mobilize and start the Work on the site within four (4) weeks of the notification. MBARI will send to ECI conditions related to the Work in advance of contract signature. If there are additional conditions after signature of the Contract that affect the start date, an equitable delay in the start time shall be permitted.

c) ECI shall complete all site work within eight weeks of receiving written notification from MBARI to start the Work.

d) ECI has scheduled the Work based on twelve (12) hours per day and seven (7) days per week, but if conditions warrant, ECI reserves the right to work as necessary to safeguard the project or the downhole equipment.

8. Responsibilities and Resources to be Provided by MBARI.

a) MBARI shall provide, maintain and make available to ECI, at MBARI's expense and in a timely manner, the resources described in this section.

b) MBARI will obtain all necessary permits, licenses and permission from all authorities and private landowners prior to commencement of work.

c) MBARI will provide suitable work site and access for trucking ECI equipment to job site including mats, if required.

d) MBARI shall provide fresh water to within 300 feet of the job site.

e) MBARI shall be responsible for handling and disposing of contaminated soils or water encountered in the borehole during the drilling operation.

f) MBARI shall provide any security on site, if required.

g) MBARI shall provide free and unlimited access to its site at the end of Sandholdt Road, parcel # 133-252-001, Moss Landing, California to ECI to perform the Work and will ensure that the activities of its personnel, representatives, subcontractors, and agents will not interfere with ECI's performance of its duties under this Contract.

h) MBARI will locate and mark all existing utilities prior to the commencement of work by ECI on MBARI property.

9. MBARI Contract Manager and Technical Representative

a) MBARI will designate a MBARI Contract Manager who will be responsible for execution of this Contract and will be the principal point of contact between ECI and MBARI. The MBARI Contract Manager is the only person authorized to approve changes to this contract. The MBARI Contract Manager may designate a Technical Representative to act on behalf of MBARI for purposes of providing direction to ECI related to technical aspects of this contract. In no event shall MBARI be bound by any understanding, agreement, modification, change order, or other matter deviating from the provisions of this contract unless formalized by appropriate written contractual documents executed by the MBARI Contract Manager.

b) Technical direction by the Technical Representative is only valid if (i) it does not consist of a new assignment of work, and does not change the express terms, conditions or specifications of this Contract and (ii) it does not constitute a basis for any increase in the Contract Price. In the event that any direction provided by the Technical Representative is interpreted by ECI to fall within the exceptions in this paragraph, ECI shall not implement such direction, but shall instead immediately notify the MBARI Contract Manager in writing of such interpretation. On receiving such notification, the MBARI Contract Manager, shall do one of the following (i) direct ECI to implement the change (ii) if the implementation causes a change in the cost of the contract, MBARI will promptly (providing ECI provides adequate justification and information detailed below) issue a change order and adjust the Contract price accordingly or (iii) MBARI may direct ECI not to implement the change.

10. Change Orders.

a) MBARI may at any time issue a Change Order that may change the Work being performed under this contact. Prior to MBARI issuing a Change Order, upon request, ECI shall furnish a price breakdown itemized as required by the MBARI Contract Manager. The breakdown shall be sufficiently detailed to permit a clear understanding of the cost, including all materials, labor, equipment, subcontracts, overhead, profit and other costs. Any work claimed for subcontracts shall be supported by a similar price breakdown. At no time shall ECI perform any work that requires an increase in price of the Contract before receiving a written change order from the MBARI Contract Manager.

(1) name MBARI and its officers, directors, employees and agents as additional insureds;
(2) waive subrogation against these additional insureds; and
(3) provide that in the event of a material reduction or change in coverage, cancellation or non-renewal of coverage contained in an such insurance at least thirty (30) days' prior written notice shall be given to MBARI.

13. Permits. MBARI will be responsible for obtaining necessary approvals for the MARS installation from all necessary regulatory bodies. ECI shall provide supporting information as necessary to assist MBARI in responding to questions and requests from regulatory agencies.

14. Inspection of the Work. MBARI may inspect the Work during ECI's normal working hours so long as any such inspection does not impede the performance of the Work. MBARI shall give ECI reasonable advance notice of any such inspection.

15. Termination.

a) Termination for Default. Either party may terminate this Contract if (i) the other party fails to perform a material obligation of this Contract in accordance with its terms and does not take efforts to cure such failure within a period of 30 days after written receipt of notice from the non-breaching party specifying such failure; or (ii) the other party becomes insolvent or the subject of proceedings under law relating to bankruptcy or the relief of debtors or admits in writing its inability to pay its debts generally as they become due.

b) Termination for Convenience. MBARI may terminate part or all of this Contract for its convenience at any time and for any reason by giving thirty (30) days' prior written notice to ECI. In such event, MBARI shall remain obliged to pay ECI for the value of the Work performed through the date of termination plus reasonable charges that ECI demonstrates to MBARI in accordance with generally accepted accounting principles that result from the termination. ECI shall continue to perform all services not terminated. Should the remaining services be impacted by the termination of part of the work, an equitable adjustment for price/schedule shall be made by MBARI.

c) Termination for Failure to Obtain Permits. If MBARI has not notified ECI within twelve (12) months of the Effective Date that it has obtained the permits necessary to start the Work, either party may terminate this Contract by giving the other party written notice of termination, which shall be effective on the date notice is received by the other party. Thereupon, ECI shall submit an invoice to MBARI for the reasonable value of the Work performed and material purchase cost through the date of termination plus reasonable charges the ECI demonstrates to MBARI in accordance with generally accepted accounting principles that result from the termination, and MBARI shall reimburse these expenses within thirty (30) days following receipt of ECI's invoice.

16. Limited Warranty. ECI warrants that the Work will be performed in accordance with the Technical Specifications set forth in Appendix E and all other terms of this Contract.

17.Non-Waiver of Rights. The failure of either party to insist upon performance of any provision of this Contract, or to exercise any right, remedy or option provided herein, shall not be construed as a waiver of the right to assert any of the same at any time thereafter.

18. Severability. If any covenant, condition, term, or provision contained in this Contract is held or finally determined to be invalid, illegal, or unenforceable in any respect, in whole or in

part, such covenant, condition, term, or provision shall be severed from this Contract, and the remaining covenants, conditions, terms and provisions contained herein shall continue in force and effect, and shall in no way be affected, prejudiced or disturbed thereby.

19. Conflicting Provisions. This Contract and all of the exhibits, schedules, and documents attached hereto are intended to be read and construed in harmony with each other, but in the event any provision in any attachment conflicts with any provision of this Contract, then this Contract shall be deemed to control, and such conflicting provision to the extent it conflicts shall be deemed removed and replaced with the governing provision herein.

20. Assignment. ECI may not sell, assign, transfer, or otherwise convey any of its rights or delegate any of its duties under this Contract without the prior written consent of the other party.

21. Applicable Law. This Contract shall be governed by and construed under the laws of the State of California.

22. Disputes. The parties agree to attempt in good faith to resolve any dispute relating to this Contract. If they are unable to do so, they agree to endeavor first to settle the dispute by mediation administered by the American Arbitration Association ("AAA") under its Commercial Mediation Rules before resorting to arbitration. Any unresolved controversy or claim relating to this Contract or its breach or any question of arbitrability shall be settled by binding arbitration administered by the AAA under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction. Any such mediation or arbitration shall be held in Monterey, California, unless another location is mutually agreed upon.

23. Force Majeure. Neither party shall be liable for any failure of or delay in performance of its obligations under this Contract to the extent such failure or delay is due to circumstances beyond its reasonable control, including, without limitation, acts of God, acts of a public enemy, fires, floods, wars, civil disturbances, sabotage, accidents, insurrections, blockades, embargoes, storms, explosions, labor disputes (whether or not the employees' demands are reasonable and/or within the party's power to satisfy), acts of any governmental body, or failure or delay of third parties or governmental bodies from whom a party is obtaining or must obtain approvals, authorizations, licenses, franchises or permits (collectively referred to herein as "Force Majeure"). Each party shall use its reasonable efforts to minimize the duration and consequences of any failure of or delay in performance resulting from a Force Majeure event.

24. Notices. All notices or other written communication required under any provision of this Contract shall be deemed to have been given by the notifying party if mailed by certified mail, return receipt requested, to the receiving party addressed to the mailing address set forth in the first paragraph of this Contract. Additionally, notices sent by any other means (i.e., facsimile, overnight delivery, courier, etc.) may be acceptable subject to written confirmation of both the transmission and receipt of the notice.

25. Audits. ECI shall grant access to MBARI, the NSF, the Comptrolle States, and any of their duly authorized representatives to any of its boo and records which are directly pertinent to the Work for the purp examinations, excerpts, and transcriptions.

26. Additional Contract Provisions. The contract provisions required OMB Circular A-110 are hereby made a part of this Contract and incor copy of the terms of Appendix A is attached hereto as Appendix I.

27. Relationship of Parties. ECI is an independent contractor in all resp Contract. Nothing contained in this Contract shall be deemed or partnership, joint venture, agency, or other relationship other than customer.

28. Waiver or Modification. This Contract may be modified, or parts an instrument in writing specifically referencing this Contract and si representative of the party against whom enforcement of the purported is sought.

29. Entire Agreement. This Contract, including any and all Exhibits att are incorporated herein by this reference, constitute the entire agree between the parties hereto and supersedes and replaces any and all p proposals, agreements, understandings, commitments or representatio written or oral, relating to the subject matter hereof or the Services or D hereunder.

Appendix A: Drilling Fluid Monitoring and Remediation Plan (DFMRP)

A1 Within 4 weeks of the Effective Date, ECI shall provide to MBARI a Drilling Fluid Monitoring and Remediation Plan or after latest permit requirements that affect the DFMRP are reviewed

A2 The DFMRP shall provide a concise and comprehensive description of a proposed plan of action for monitoring drill fluid status, and remediation response to minimizing any environmental impact resulting from the drilling process. The DFMRP shall include but not be limited to:

- Personnel Training
- Drilling Fluid Monitoring Overview
- Release Monitoring and Operating Conditions
- Cleanup and Response

Appendix B: Contingency Abandonment Plan (CAP)

B1 Within 4 weeks of the Effective Date, ECI shall provide to MBARI a Contingency Abandonment Plan or after latest permit requirements that affect the CAP are reviewed
B2 The CAP shall provide a concise and comprehensive description of procedures taken in the event that a decision is made to abandon a borehole. In the event of abandonment, mitigation measures shall be taken to assure that no related long-term interzonal migration of fluids shall occur. The CAP shall include but not be limited to:

- Contingencies leading to borehole abandonment.
- Procedure for notification of potential abandonment
- Types of borehole abandonment.
- Borehole route change
- Pipe removal
- Capping
- Plugging and grouting
- Other
- Procedures for borehole abandonment
- Record of abandonment in borehole logbook.

Appendix C: Health and Safety Plan (HSP)

C1 Within 4 weeks of the Effective Date, ECI shall provide to MBARI a Health and Safety Plan or after latest permit requirements that affect the HSP are reviewed.

C2 The HSP shall provide a concise and comprehensive description of operational hazards related to performing HDD at the worksite. The HSP shall identify potential health and safety hazards and outline procedures to follow and protective equipment to use to assure personal, public, and environmental safety. Issues to be covered will include but not be limited to:

- Site Specific Hazards
- Equipment Operation
- Power and Hand Tools
- Vehicle Loading, Operation, and Maintenance
- Material Use and Storage
- At-Sea Operations
- Small Boat Handling and Anchoring
- Diver Safety

Appendix D Work Execution Plan (WEP)

Within four weeks of the Effective Date, ECI shall provide a Work Execution Plan to MBARI , or after latest permit requirements that affect the WEP are reviewed which shall include the following:

D1 The WEP shall provide a concise and comprehensive description of each task phase of the HDD borehole. Information and data shall include but not be limited to:

- Pre-Stage Preparation
- Site and Route Evaluation
- Environmental Impact Mitigation Measures
- MSDS for all Fluids, Lubricants, Fuels, Materials
- Equipment and Supply Staging
- Drill Procedures
- Drill Exit Procedures
- Small Boat Anchoring Plan (see D3 below)
- Diver Excavation and Installation Procedures
- Post-Drill Entry and Exit Site Preparation
- Site Cleanup and Restoration

D2 The WEP shall identify all ECI supplied ancillary equipment. Ancillary equipment shall include, but not be limited to:

- Generators for supplying electrical power to all required equipment.
- Lighting sufficient for the worksite
- Sanitation facilities adequate for all of ECI's personnel

D3 Small Boat Anchoring Plan

D3.1 If any work vessels are used in the operation that require anchoring, provide an anchoring plan that includes a map of the proposed anchor spread and anchor locations or offshore temporary mooring location for each work vessel. Also provide a narrative description of the anchor setting and retrieval procedures to be employed that will result in minimal impacts on the ocean bottom.

Appendix E: Technical Specifications

E1 Staging and Operation Area

E1.1 Staging area for the HDD operation is shown in Figure E 1.1.

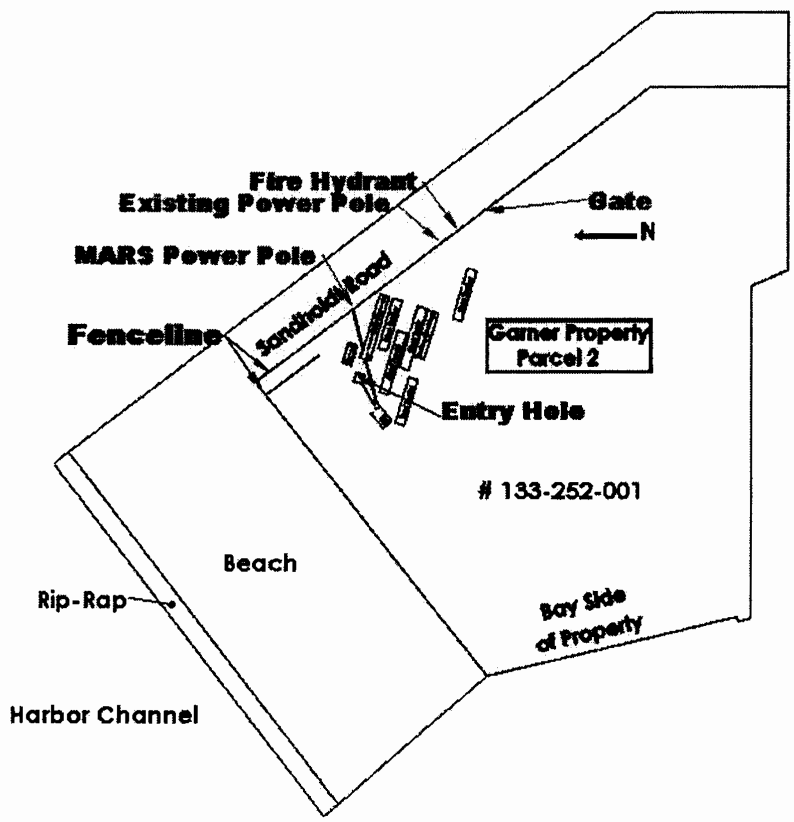

Figure E 1. 1 Site and Proposed Equipment Layout

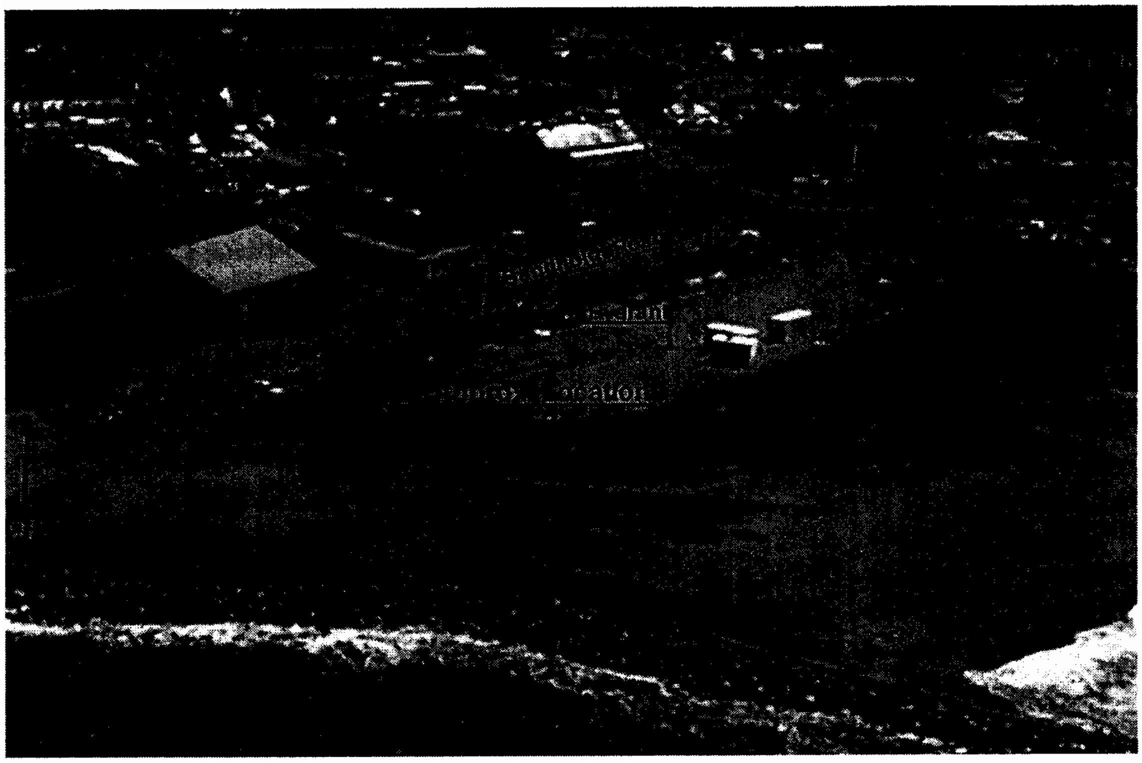

Figure E 1. 2 Photo of HDD Site

E2 Protections

E2.1 ECI shall assure the following:

E2.1.1 Plastic barriers shall be provided and placed under the drilling rig and oil absorbent blankets will be provided and placed around all hydraulic components.

E2.1.2 When all equipment is in place, a silt fence and hay bales shall be placed around the work perimeter in addition to those being placed around the sump pit and mud system.

E2.1.3 ECI shall use low-emission fuel on all diesel-powered vessels and construction equipment and shall retain receipts of fuel purchases to verify use of CARB on-road diesel fuel.

E2.1.4 ECI shall muffle, shield, or enclose construction equipment to ensure that noise levels do not exceed the 85 dBA limit of the Monterey County Noise Control Ordinance.

E3 Drilling Lubricant

E3.1 Drilling lubricant shall be natural bentonite clay and water without additives.

E4 HDD pipe

E4.1 During the HDD operation, ECI shall constantly monitor the drill path for surface releases and maintain constant communication between the monitoring vessel and the control cab at all times.

E4.2 ECI shall ensure that the pipe joints are sufficiently smooth to prevent damage to the cable when it is installed

E5 Monitoring during HDD

E5.1 ECI shall continuously monitor for surface releases of lubricant during the drilling operation.

E5.2 ECI shall carefully monitor the drilling conditions as the drill approaches the exit point. Before breaking the surface the drilling operation will change from bentonite lubricant to fresh water, to flush the bentonite out of the system so that a mud free exit is achieved.

E5.3 ECI shall use of the fluorescent dye rhodamine added to the drilling fluid together with a fluorometer (a dye detector) to identify any drilling fluids released into water; (b) use of side-scan sonar assist in drilling release detection if the fluorometer detects a drilling fluid release; (c) visual monitoring and inspection onshore and offshore (by boat and with divers recording suspected releases on videotape; (d) an evaluation of the reasonable worst-case drilling fluid spill scenario for drilling fluid release; (e) a list of drilling fluid spill response equipment that shall be maintained onboard sufficient to respond to the reasonable worst-case spill volume, and (f) an agency notification list that will be activated if a spill occurs.
Note: Refer to Paragraph 2.o

E6 Fluid Release

E6.1 In the event of a subsurface release, ECI shall use divers equipped with specialized water lifts (pumps) and filter bags to remove released bentonite from the sea floor. Note: Refer to Paragraph 2.o.

E6.2 In the event of a bentonite release on land, ECI shall immediately contain the release and transfer the fluid back to the drill site for reuse or into a storage tank and removed from the site.

E7 Drill Pipe Preparation

E7.1 ECI shall be responsible for the following:

- Assure that the drill head is removed near the seafloor.
- Assure that the pipe end at the seafloor shall have all rough edges and burrs removed.

E8 Cleaning Pipe

E8.1 ECI shall assure that pipe is pigged to ensure it is clear.

E9 Installing Pull Line

E9.1 ECI shall install a 0.25 inch diameter wire pull line along the entire interior length of the completed pipe. Shore end shall be readily accessible. Ocean side shall be readily accessible by divers and of sufficient length to enable marine cable installation.

E10 Capping and Marking Pipe End

E10.1 ECI shall install a flange and adapter acceptable to Alcatel together with Tide Flex valve coupling installed on exit end of drill pipe.

E10.2 ECI shall install, at the subsea end of the pipe, a marker buoy with appropriate chain, rode, and surface float.

E11 Shore Entry

E11.1 Shore entry shall follow standard HDD practice and configuration. At the completion of HDD, MBARI shall furnished and install a concrete vault at the site of the entry pit. The vault will incorporate the in-place HDD pipe. Note: Entry pit will not be at exact location of pipe entry.

E11.2 The accuracy of the lateral location of the drill string will be held to plus or minus 25 feet along the length of the HDD installation.

Appendix F: Borehole Documentation

F1 Within eight weeks of the Effective Date ECI shall provide:

Provide a set of final drawings as issued for construction showing all details such as coordinates for both exit and entry pits and proposed alignment bearing.,

- Any anchoring procedures necessary for HDD drilling activities during offshore operations.

F2 At the completion of the HDD borehole and no later than thirty days after completion, ECI shall prepare, provide, and present to MBARI a complete set of Final Engineering Documentation (FED). The FED shall include but not be limited to:

- Technical Data of Completed Borehole
- Comprehensive charts of the complete HDD route shall include but not be limited to:
- Plan View with data including, Coordinates and bathymetric contours.
- Elevation View with data including Relative Depth, Length, and soil type.
- Detailed description of Entry and Exit Pits including plan and elevation views with dimensions.
- Noteworthy Nearby Geological and Navigational Features
- Logistical Data for Completed Borehole
- Notable Events occurring during the HDD process

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 09/12/2005

PRODUCER
The Merritt Insurance Group Agency
1529 Broadway, Suite 500
Detroit MI 48226

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED
Environmental Crossings, Inc,
868 Robinwood Court
Traverse City MI 49686-4317

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: American Home Assurance Co.	
INSURER B: Illinois National Insurance Co	
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY ☐ CLAIMS MADE ☐ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☐ LOC	GL 360 24 66 OLD	10/01/2004	10/01/2005	EACH OCCURRENCE	$ 1,000,000
						DAMAGE TO RENTED PREMISES (Ea occurence)	$ 100,000
						MED EXP (Any one person)	$ 5,000
						PERSONAL & ADV INJURY	$ 1,000,000
						GENERAL AGGREGATE	$ 2,000,000
						PRODUCTS - COMP/OP AGG	$ 2,000,000
B		AUTOMOBILE LIABILITY X ANY AUTO ☐ ALL OWNED AUTOS ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ☐ NON-OWNED AUTOS	CA 720 35 02	10/01/2004	10/01/2005	COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
						BODILY INJURY (Per person)	$
						BODILY INJURY (Per accident)	$
						PROPERTY DAMAGE (Per accident)	$
		GARAGE LIABILITY ☐ ANY AUTO				AUTO ONLY - EA ACCIDENT	$
						OTHER THAN AUTO ONLY: EA ACC	$
						AGG	$
		EXCESS/UMBRELLA LIABILITY ☐ OCCUR ☐ CLAIMS MADE ☐ DEDUCTIBLE ☐ RETENTION $				EACH OCCURRENCE	$
						AGGREGATE	$
							$
							$
							$
B		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	WC 720 71 86	10/01/2004	10/01/2005	X WC STATUTORY LIMITS ☐ OTHER	
						E.L. EACH ACCIDENT	$ 1,000,000
						E.L. DISEASE - EA EMPLOYEE	$ 1,000,000
						E.L. DISEASE - POLICY LIMIT	$ 1,000,000
		OTHER				Each Occurrence General Aggregate	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

MBARI and its officers, directors, employees and agents are listed as additional insured as their interest may appear. Waiver of Subrogation applies.

CERTIFICATE HOLDER

Monterey Bay Aquarium Research Institute
7700 Sandholt Road
Moss Landing CA 95039-0628

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE: William W. Merritt as supplemented by Department of Labor regulations (29 CFR part 5). Under Section 102 of the Act, each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than 1 ½ times the basic rate of pay for all hours worked in excess of 40 hours in the work week. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

5. Rights to Inventions Made Under a Contract or Agreement - Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 CFR part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

6. Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended - Contracts and subgrants of amounts in excess of $100,000 shall contain a provision that requires the recipient to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251 et seq.). Violations shall be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

7. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352) - Contractors who apply or bid for an award of $100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient.

8. Debarment and Suspension (E.O.s 12549 and 12689) - No contract shall be made to parties listed on the General Services Administration's List of Parties Excluded from Federal Procurement or Nonprocurement Programs in accordance with E.O.s 12549 and 12689, "Debarment and Suspension." This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory or regulatory authority other than E.O. 12549. Contractors with awards that exceed the small purchase threshold shall provide the required certification regarding its exclusion status and that of its principal employees.