Corporate Office PO Box 3668 Englewood, CO 80155-3668



800.774.3230 303.773.3230

fax: 800.303.7201

API 653 LINER INSPECTION PROPOSAL

Bowie Fertilizer PO Box 8911 Miller, NE 68858 August 27, 2020 Proposal #HTS-2582-0820 Site: Overton, NE

Attn: Mr. Rick Bowie

We sincerely appreciate the opportunity to submit this proposal for your consideration according to the following specifications, terms, pricing and delivery.

ITEM I: ONE (1) API 653 INSPECTION - FOR THE EXISTING WELDED STEEL TANK WITH INTERNAL LINER LOCATED IN **OVERTON, NEBRASKA.**

1 – 92' Diameter X 32' High Tank

TANK WILL HAVE THE FOLLOWING PERFORMED:

Visually inspect liner attachment system. Visual spot-inspect interior floor under liner and spot-inspect shell to floor chime weld. Visually inspect exterior shell plates and welds. Visually inspect roof plates and welds. Perform UT (ultrasonic thickness) testing on tank exterior shell and exterior roof plates and provide mapping. Perform elevation survey of tank foundation. Visually inspect internal liner system to confirm that liner is as originally installed. Provide written report, within 45 days of inspection, on all findings, including minimum thickness calculations, shell remaining life calculations, UT measurement readings, photographs, and any recommended or required repairs, according to API 653 Specifications. Provide a preliminary report prior to leaving jobsite, unless circumstances prevent ability to do so. All inspections are performed by Qualified Technicians. All testing equipment and lighting will be provided by Heartland Tank Services, Inc.

Heartland Tank Services, Inc. will review the general condition of the liner, including flexibility of liner material and whether or not liner is properly attached to tank. Heartland Tank Services, Inc. technicians will not inspect the liner for integrity against leaks, nor will Heartland Tank Services, Inc. certify that the liner does not have leaks or will not develop leaks.

TRAVEL, INSPECTION(S), CREW & REPORTING TIME

RE-INSPECTION OF REPAIRS

If **Bowie Fertilizer** elects to repair based on initial inspection recommendations, and requests Heartland Tank Services, Inc. to return and evaluate the repairs, Heartland Tank Services, Inc. would require written weld procedures and welder qualifications prior to commencement of work. Actual travel costs/mileage, per diem and hourly rate will apply.

PAYMENT TERMS: 100% due payable upon delivery of final report.

PROPOSAL VALIDITY: 30 DAYS

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TERMS & CONDITIONS

BUYER AGREES:

- A. To furnish and maintain access to site and provide a **clean***, vapor-free tank, suitable to safely work in and around. Heartland Tank Services, Inc. technicians must be able to enter space between the tank wall and the liner to inspect. The liner must be safely pushed away from the tank wall without causing damage to the liner during inspection.
 - 1. Leak monitor valve(s) should be checked for presence of product.
 - a. **If product is found in the leak monitor valve(s):** The liner must be cleaned, **100% free of product and product residue.** If customer utilizes the services of an approved tank cleaning company recommended by Heartland Tank Services, Inc., the liner will be recognized as clean and ready for inspection.
 - b. If product is not present in the leak monitor valve(s): The product in liner must be reduced to less than 1" (one inch) of product. If the liner contains more than 1" (one-inch) of product when the Heartland Tank Services, Inc. technician arrives, or if the technician determines that too much product is present in the liner, making a safe inspection of the liner impossible, Heartland Tank Services, Inc. may elect to reschedule the inspection and may elect to invoice customer for travel and/or the amount that would have been owed had the inspection occurred as scheduled.
 - 2. External chime (shell to floor weld joint) should be free of soil buildup or vegetation to ensure proper examination of tank's critical zone.
 - 3. Customer recognizes that inspection dates during the inspection season are "time sensitive" and if Heartland Tank Services, Inc. reschedules the inspection, Heartland Tank Services, Inc. will impose an additional charge due to the loss of revenue attributable to the loss of an inspection date of that inspection crew.
 - 4. To obtain all permits, fees, licenses, etc. (if any) or any permission necessary for Heartland Tank Services, Inc. to perform work described above.
 - 5. To provide 110-volt, 30-amp electrical service in close proximity to the tank(s); maximum of 100' from the tank.
 - 6. Inspections must be conducted in 32°F weather or warmer. Heartland Tank Services, Inc. reserves the right to postpone any inspection due to inclement weather or safety concerns.
 - 7. Pricing does not include cost of third-party spot radiograph should the findings of the inspection dictate X-Ray.

Liz Sifuentez

Inspection Division Coordinator

Heartland Tank Services

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INSPECTION WARRANTY

Heartland Tank Services, Inc. will evaluate the condition of this tank(s) based on the observations and measurements made by the Heartland Tank Services, Inc. inspector. While our evaluation will accurately describe the condition of the tank at the time of inspection, the tank owner/operator must independently assess the inspection information/report provided by Heartland Tank Services, Inc. and any conclusions reached by the tank owner/operator and any action taken or omitted are the sole responsibility of the owner/operator. With respect to the inspection and testing, Heartland Tank Services, Inc. warrants only that the services have been performed in accordance with accepted industry practice. If any such services fail to meet the foregoing warranty, Heartland Tank Services, Inc. shall re-perform the service to the same extent and on the same conditions as the original service.

The preceding paragraph sets forth the exclusive remedy for claims based on failure or defect in materials or services, whether such claim is made in contract or tort (including negligence) and however instituted, and, upon expiration of the warranty period, all such liability shall terminate. The foregoing warranty is exclusive and in lieu of all other warranties, whether written, oral, implied or statutory. NO IMPLIED WARRANTY OF MERCHANTABILITY FOR FITNESS OR PURPOSE SHALL APPLY, nor shall Heartland Tank Services, Inc. be liable for any loss or damage whatsoever by reason of its failure to discover, report, repair or modify latent defects or defects inherent in the design of any tank inspected. In no event, whether a result of breach of contract, warranty or tort (including negligence) shall Heartland Tank Services, Inc. be liable for any consequential or incidental damages including, but not limited to, loss of profit or revenues, loss of use of equipment tested or services by Heartland Tank Services, Inc. or any associated damage to facilities, down-time costs or claims of other damages.

For further information regarding this proposal, please contact our office at 1-800-774-3230.

Thank you for your business!

Please provide the following information: **SITE ADDRESSES: SITE CONTACT/PHONE:** MAILING ADDRESS (FOR HARD COPY OF REPORT): **BILLING CONTACT: BILLING CONTACT EMAIL/ PHONE: PROPOSAL ACCEPTANCE** The above proposed inspection specifications, terms and conditions, and warranty are satisfactory and are hereby accepted. Heartland Tank Services, Inc. is authorized to perform work as specified. DATE: ESTIMATED EMPTY DATE: **BOWIE FERTILIZER** Signature Title

Bowie Fertilizer

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