



January 31, 2012

United Steel, Paper and Forestry,
Rubber, Manufacturing, Energy,
Allied Industrial and Service Workers'
International Union, AFL-CIO, CLC
ATTN: Mr. Bill Locke
Staff Representative
927 South Village Oaks Dr. Suite #100
Covina, CA 91724

Gentlemen,

SUBJECT: RATE MAINTENANCE

During the period from February 1, 2012, through January 31, 2015, the wage rate of an employee who, through no fault of his own, is demoted to a lower-paid classification than the one to which he was permanently assigned on February 1, 2012, or from another higher-paid classification to which he is subsequently permanently assigned for a period of one hundred twenty (120) consecutive calendar days or more shall be maintained at the rate of the classification from which he is demoted for the following periods:

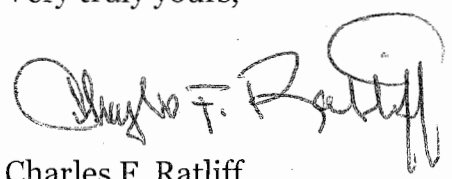
1. an employee with less than 15 years of service - for a period of 18 consecutive calendar weeks,
2. an employee with 15 or more years of service - for a period of 18 consecutive calendar weeks plus one additional week for each year of service,

all provided such employee remains in the employment of the Company.

An employee whose rate is thus being maintained may not decline a job assignment which is appropriate under the provisions of the current Articles of Agreement with the exception that "job assignment which is appropriate" shall refer to assignments within the living area in the Bargaining Unit as defined in the Preamble of Articles of Agreement currently in effect between the parties.

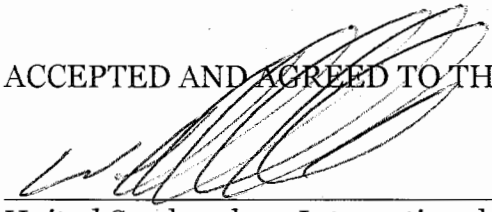
If you are in agreement with this proposal, please indicate your acceptance in the space provided below and return one signed original to me.

Very truly yours,



Charles F. Ratliff
Vice President-Human Resources
Aera Energy Service Company

ACCEPTED AND AGREED TO THIS 29th DAY OF MARCH, 2012.



United Steelworkers International Union