



PURCHASING DEPARTMENT
County Of Hidalgo

October 17, 2006

Re: Contract # C-05-122-06-07

Mr. Alfonso Arguindegui, President
Arguindegui Oil Company II Ltd.
PO Box 1367
Laredo, Texas 78042

Dear Arguindegui:

Hidalgo County is requesting a one year extension of the "Gasoline, On & Off Highway Diesel Fuel", as provided in Article 3 of the current service contract, which will expire on December 31, 2006.

This letter will serve as the County's written notice for renewal under the same rates, terms and conditions.

Thank you for your attention to this matter. If you should have any questions or comments, or require anything further, please do not hesitate to contact me.

Sincerely,

Mary A. Maldonado
Contracts Manager

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

RECEIVED

JUL 05 2005

M.E.
COUNTY JUDGE

**SERVICE CONTRACT
C-05-122-06-07**

THIS CONTRACT is made and entered into this **16th** day of **June, 2005** by and between the **County of Hidalgo, Texas** ("County"), and **Arguindegui Oil Company II, Limited, a Texas**("Company").

WHEREAS, Company responded to request for bids for "**Gasoline, On & Off Highway Diesel Fuel** " (the "Services"); and

WHEREAS, Company submitted a bid to provide services in accordance with the specifications as bid, a copy of such specifications and bid being attached hereto as Exhibits "A" and "B" respectively, and incorporated herein for all purposes (the "Specifications"); and

WHEREAS, in recognition of and in consideration of Company's agreement to perform the Services in accordance with Specifications, the Commissioners Court of County awarded the quote to Company.

NOW, THEREFORE, in mutual consideration of the foregoing and the further consideration of the following, the parties hereto agree as follows:

1. County and Company hereby agree that this Contract is entered into in order to provide the Services to various locations (as provided in Exhibit "A") within Hidalgo County for "**Gasoline, On & Off Highway Diesel Fuel** ". This Contract does not extend to any third parties any duties or benefits conferred in any manner hereunder or otherwise.

2. Company hereby promises and agrees to render and provide, during the

term of this Contract, and shall be obligated to render and provide the Services in accordance with the Specifications within **Hidalgo County** following a request for Services by each designated agent. Company agrees in performing the Services that it will use proper professional standards, comply with any and all appropriate laws and regulations in providing the Services, and devote such time as is necessary to safely and efficiently provide the Services.

3. This Contract shall be for a period beginning **June 16, 2005** and ending, **December 31, 2006** and may be extended at the sole discretion of County for an additional one (1) year term based on the prior year's performance evaluation and contingent upon cost remaining unchanged, unless this Contract is terminated pursuant to the provisions herein, whichever occurs first.

4. County and Seller agree that either party may terminate this contract upon thirty (30) days written notice at any time for any reason or no reason at all.

5. As a condition of this Contract, Company shall hold and maintain throughout the term of this Contract all licenses and permits required, or which may be required by any authority during the term hereof to provide the Services.

5. All trucks or vehicles operated by the Company to perform the Services shall contain all equipment required by any authority to operate on streets and roads and all persons in the employ of Company who operate such trucks or vehicles shall have the required licenses, qualifications, skill and expertise to perform such Services and shall comply with all laws, rules and regulations prescribed by any agency or authority having jurisdiction with regard to the operation of such trucks or vehicles in providing the Services.

6. As consideration for rendering the Service provided for in this Contract, the

County agrees to pay Company the amounts specified in Exhibit "B" attached hereto payable against written invoice submitted by Company.

7. Company shall provide insurance in force on all its vehicles and all persons connected with providing services under this Contract naming County as an additional insured (with the coverages and in the amounts described on Exhibit "C" attached hereto and incorporated herein at this point for all purposes), and shall furnish to County certificates of such insurance coverage.

8. Company shall provide a sufficient number of trucks, vehicles, personnel and equipment available to safely and efficiently provide the Services.

9. Company shall indemnify and hold harmless County, its elected officials, employees and agents from any and all claims, damages, losses, and expenses including attorney's fees for the defense of any action against County arising out of, resulting from, or connected with the provision of the Service by Company under this Contract. Said indemnity shall cover any act or failure to act by the Company, its agents or employees.

10. This Contract shall not be assignable in whole or in part by either party without prior written consent of the other party.

11. It is expressly agreed that this Contract and the performance by the parties hereunder does not create any agency relationship or master-servant relationship, that County has no supervision of the performance of the Services provided by Company, and that Company is an independent contractor under this Contract.

12. Any notice required or permitted to be given hereunder shall be in writing and shall be delivered personally or sent by certified mail, postage prepaid, as set forth below:

If to County: **The County of Hidalgo
Attn: County Judge
100 E. Cano
Edinburg, Texas 78539**

If to Company **Arguindegui Oil Company II Ltd.
Attention: Alfonso Arguindegui, President
PO Box 1367
Laredo, Texas 78042**

13. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

14. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective heirs, executors, administrators, legal representatives, successors, and assigns where permitted by this Agreement.

15. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas and shall be performable in Hidalgo County.

WITNESS our hands in duplicate originals this 15th day of June 2005.

Approved by Commissioners Court on June 07, 2005

APPROVED AS TO FORM:

By: [Signature]
Atlas & Hall, LLP
Date: 6-16-05

Approved by Commissioners' Court
on 6-7-05

COUNTY OF HIDALGO

ATTEST:

By: [Signature]
Ramon Garcia, County Judge
Date: 6-21-05

[Signature]
Juan D. Salinas III, County Clerk
Date: 06/22/05

COMPANY: Arguindegui Oil Company II, Ltd.
By: [Signature]
Printed Name: Alfonso Arguindegui
Title: Pres. Arguindegui Management Co. LLC
Date: 10-30-05

EXHIBIT "A"
SPECIFICATIONS

Exhibit "A"

HIDALGO COUNTY "GASOLINE, ON & OFF HIGHWAY DIESEL FUEL" BID NO. 2005-122-05-25-MSS

BID SPECIFICATIONS

PROJECT OVERVIEW

Hidalgo County is seeking bids from qualified and interested vendors for purchases of fuel, i.e. gasoline (all grades) and diesel (all grades). Hidalgo County will contract with the lowest responsible bidder meeting all specifications and requirements contained herein. All purchases of gasoline and/or, on and/or off highway diesel fuel will be on an "as needed basis" only. There is no guarantee on annual volume. Hidalgo County purchases approximately 80% bulk fuel and 20% fuel from fueling stations. Hidalgo County may seek purchases from state awarded vendors or any other cooperative purchasing programs whenever it is in its best interest to do so.

I. GENERAL INSTRUCTIONS TO BIDDERS:

Bids must be submitted and will be opened at 9:30 A.M., Wednesday, May 25, 2005 in the Hidalgo County Purchasing Department Conference Room located at 100 East Cano, 4th Floor, Administration Building, Edinburg, Texas 78539.

BID ACCEPTANCE:

- A. Unsigned bids will not be considered.
- B. Bids received after bid date and time will not be considered and will be returned to vendor unopened.
- C. Only sealed bids will be accepted. Faxed bids will not be accepted.

Any change to this documentation must be in written addendum and signed by, Martha L. Salazar, CPPB, Purchasing Agent or her designee.

The County reserves the right to accept or reject any or all bids received, waive minor technicalities and award the bid to best serve the interest of HIDALGO COUNTY.

BID PRICE:

Bid your lowest margin of profit for all gasoline and diesel grades. **The margin of profit shall remain the same for both bulk fuel and fueling stations.** Hidalgo County purchases approximately 80% bulk fuel and 20% fuel from fueling stations.

Detailed explanation of warranties must be provided with bid.

Prices that HIDALGO COUNTY will pay or all fuel delivery during the term of the contract will be based upon the bidder price above or below on the **May 23, 2005, OPIS report (Harlingen Pad) RACK PRICE.** Bidder must provide a copy of the May 23, 2005 OPIS report along with the bid and a relevant OPIS report current (Harlingen Pad) with each invoice.

To expedite evaluation of bids, **HIDALGO COUNTY** forms must be used to submit pricing information.

Bids shall be on the **BID FORM** enclosed and sealed in an envelope clearly labeled as follows:

HIDALGO COUNTY
“GASOLINE, ON & OFF HIGHWAY DIESEL FUEL”
BID NO. 2005-122-05-25-MSS
ATTN: MARTHA L. SALAZAR, CPPB, PURCHASING AGENT

REFERENCES:

A list of a minimum of five references/ contracts for any national, state, local political subdivision, private sector or other entity must be submitted along with your bid for qualification. Information regarding point of contact and contract term should include, but not limited to, the following:

- 1) Company
- 2) Contact Person
- 3) Phone Number
- 4) Term of the contract

BID WITHDRAWAL:

No bid may be withdrawn for a period of ninety (90) days subsequent to the bid opening date without expressed written consent of the County.

VOLUME:

All purchases of gasoline and/or, on and/or off highway diesel fuel will be on “**an as needed basis only**”. There is no guarantee on annual volume. Hidalgo County may seek purchases from state awarded vendors or any other cooperative purchasing programs, whenever it is it’s best interest to do so.

After the bid is awarded and the awarded bidder(s) default(s) in meeting the general instructions to bidders and/or comply with contract agreement, **HIDALGO COUNTY** reserves the right to seek goods/services from the secondary vendor, state awarded vendors or any other cooperative purchasing programs at no additional cost to the County. In such event, Hidalgo County will charge the successful bidder the difference for any additional cost incurred by Hidalgo County for such item.

RESPONSIBLE BIDDER:

Bidders having a history of inconsistent services and unreliability will not be considered by the County to be a responsible bidder.

The business must be a well established organization and have any adequate number of trained personnel to ensure quality and performance and completion of contract within a specified time period.

TERM OF THE CONTRACT:

HIDALGO COUNTY is requesting bids for “**GASOLINE, ON & OFF HIGHWAY DIESEL FUEL**” for an initial term commencing upon termination of current contract thru December 31st, 2006 with the County’s option to extend the contract for an additional one (1) year term based on prior year’s performance evaluation and contingent upon cost terms remaining unchanged. Hidalgo

County reserves the right to extend the contract for an additional sixty (60) day grace period at the end of the contract term due to unforeseen delay in the procurement of subsequent bid process.

Bid prices are to remain firm from **BID AWARD DATE** through the termination of contract.

TERMINATION:

Either party may terminate this agreement upon giving written notice ninety (90) days prior to effective date of said termination.

Funds for this procurement have been provided through the County budget for this fiscal year only. County, on an annual basis, has the right to reconsider a contract during the budget process for ensuing years if financial resources of County are insufficient to meet the liabilities of said contract. The award of a bid or contract hereunder will not be construed to create a debt of the County which is payable out of funds beyond the current fiscal year.

If termination of contract is necessary, the successful bidder will not add any termination penalties to said contract.

II COMPLIANCE WITH SPECIFICATIONS & HIDALGO COUNTY'S RIGHT OF SELECTION:

All bidder(s) shall abide by & comply with the true intent of the specifications and not take advantage of any unintentional error or omission.

Bidders will be required to comply with all applicable equal employment opportunity laws and regulations.

EVALUATION OF BIDS:

All bids shall be evaluated on all factors involved, i.e., price, quality, and service, etc., whichever is in the best interest of the County.

No cash advance discount will be considered.

DEVIATIONS FROM SPECIFICATIONS:

All deviations from the specifications must be noted in writing, in detail by bidder at the time of submittal of the bid. Deviations will be submitted to Commissioner's Court for discussion.

"OR EQUAL" INTERPRETATION CLAUSE:

Any time a particular manufacturer's name brand may be specified, it shall mean any product of equal quality. Bids shall be considered on all other brands submitted and on equal quality product of other manufacturers. On all such bid, the bidder shall indicate clearly the product on which bidding, and shall supply sufficient data on his/her own letterhead to enable an intelligent comparison to be made with the particular brand or manufacturer specified. If after analyzing the bid, it is found that the bidder did not bid on the brand and model specified and a statement to the contrary is not submitted, the item will not be considered.

No substitutions will be accepted after item(s) have been awarded as specified.

REPRESENTATIONS:

The vendor represents that the items/and or services provided by the vendor hereunder shall conform to the presentations of same as represented and described in the attachments. Notwithstanding

anything to the contrary herein, if for any reason Hidalgo County determines in its sole discretion, that part of or all of the items and/or services fail to meet the expectations of HIDALGO COUNTY, HIDALGO COUNTY may on a ten (10) day notice, terminate this agreement and be relieved of any further obligation to vendor.

ERRORS IN BIDS, RELIEF OF BIDS:

Bidders or their authorized representative are expected to fully inform themselves as to the conditions, requirements and specifications before submitting bids, failure to do so will be at the bidder's own risk and bidder cannot secure relief of the plea or error. Neither law nor regulation make the allowance for errors or omission or commission on the part of bidders. In case of error in extension of prices in the bid, the unit price shall govern.

PRODUCT QUALITY:

Fuels supplied under this bid shall be free from contamination. HIDALGO COUNTY reserves the right to test fuel quality upon delivery, prior to unloading. Should test results show that fuel contains contamination, it will be rejected.

For purpose of this specification, contamination is defined as any element which enters pure refined gasoline and diesel fuel either naturally or by purposeful action which is not a product of refined crude oil. With the exception of winter additives, detergents, and identifying dyes, any amount of alcohol is considered contamination and will not be allowed. Vendor shall be responsible for the removal of contaminated fuel from HIDALGO COUNTY property within three (3) working days after requested to do so should laboratory test results show fuel contains any level of alcohol or other contaminants. The vendor shall also be responsible for all cleanup required to all HIDALGO COUNTY property, storage facilities, vehicles and equipment as a result of non-compliance with specifications. Furthermore, the vendor shall be fully responsible for any and all cost incurred by HIDALGO COUNTY for any vehicles or equipment sustaining damage which is attributed to contaminated fuel(s) which the vendor has delivered.

III. BID AWARD:

HIDALGO COUNTY will award bid to the bidder with the lowest margin of profit. A "Primary" and "Secondary" vendor will be awarded for purchases from this contract through the effective period of this award. In situations when the "Primary" vendor does not comply with the specifications, requirements, terms, conditions, obligations, including delivery all contained within this bid packet, departments will purchase from the "Secondary" vendor. For evaluation & consideration of items bid, samples may be requested.

IV. DELIVERY INSTRUCTIONS:

Delivery hours are from 8:00 A.M. through 12:00 P.M., and 1:00 P.M. through 4:00 P.M. Monday through Friday.

Bidder shall deliver the requested amount of fuel within 24 hour of a properly executed purchase order. Partial orders will be considered as a basis of non-compliance.

V. BILLING AND PAYMENT INSTRUCTIONS:

Invoice must include:

- A) Marked- "HIDALGO COUNTY- GASOLINE, ON & OFF HIGHWAY DIESEL FUEL"
- B) Copy of signed delivery ticket

County makes payments monthly upon request of a properly executed invoice & documentation from the cosignee.

Contact person for Billing & Payment questions:

Raymundo Eufrazio, CPA
Hidalgo County Auditor
Hidalgo County Administration Building
100 E. Cano, 3rd Floor
Edinburg, Texas 78539
(956) 318-2511

VI. ADDITIONAL REQUIREMENTS

Compliance with all specifications is required. Detailed specifications are included.

Bidder must provide (1) one 1000 gallon fuel storage tanks, (3) three 2000 gallon fuel storage tanks, (4) four pumps and Spill Containment/Dike area for each new tank at the following locations.

Bidder shall also be available to provide **HIDALGO COUNTY** with **additional fuel storage tank(s) , pumps and dikes as needed or required.** Bidder must deliver fuel ordered to these locations within 24 hours of the County's order. Storage tanks, pumps and/or installation of tanks , pumps and dikes will be **at no additional charge** to Hidalgo County.

Spill Containment/Dike area: Vendor is responsible for providing a spill containment/dike area for any new tank requested by Hidalgo County to be in compliance with OSHA under the OSHA Standards for general industry §1910.106(b)(2)(vi)(c). ✓

Precinct No. 2 301 E. State- Pharr, Texas Phone: 956/787-1891 Contact: Yoli Cisneros	One (1) 1000 Gallon Gasoline	1
Precinct No. 3 414 W. 12 th Street- Mission, Texas Phone 956/585-4509 Contact: Olivero Solis/ J.D. Villarreal	One (1) 2000 Gallon Gasoline One (1) 2000 Gallon On Highway Diesel One (1) 2000 Gallon Off Highway Diesel	None
Precinct No. 4 1102 N. Doolittle - Edinburg, Texas Phone No.: 956/383-3112 Contact : Jr. Munoz	None	One (1) Gasoline Two (2) Diesel

Bidder must provide a list of secured, contracted and operational fueling stations with bid submission. Hidalgo County reserves the right to confirm and verify fueling locations. Failure to submit will disqualify bid.

Bidder must also provide County and all of its departments the convenience and the ability to refuel gasoline or diesel, at a minimum of one (1) commercial gasoline/ on- highway diesel dispensing location open at least twelve (12) hours situated within cities listed below & one (1) commercial gasoline dispensing location (in the Edinburg area) open at least 24 hours each day:

- A. Edinburg, Texas
- B. McAllen, Texas
- C. Mission, Texas
- D. Pharr, Texas
- E. Weslaco, Texas

Bidder shall fully service HIDALGO COUNTY vehicles and personnel from all departments and/or branches of the County in the location listed at least twelve (12) hours each day. EDINBURG location shall be open twenty-four (24) hours each day.

Bidder shall deliver the fuel ordered within 24 hours of the County's order to County's existing storage facilities at the sites listed as follows:

DESIGNATED DEPARTMENT/ ADDRESS	NO. OF STORAGE TANKS
Hidalgo County Adult Detention Center (Motor Pool) 713 E. El Cibolo Road- Edinburg, Texas Phone No. 956/383-8114 X-6185 Contact: Carlos Becerra	One (1) 20,000 Gallon Gasoline Tank One (1) 5,000 Gallon Diesel Tank Two (2) 2,400 Gallon Diesel Tanks One (1) 1,000 Gallon Diesel Tank One (1) 150 Gallon Diesel
Hidalgo County Precinct no. 1- Adm./ Shop 1902 Joe Stephens- Weslaco, Texas Phone No. 956/968-8733 Contact: Noe Montes	One (1) 5000 Gallon Gasoline Tank One (1) 5000 Gallon Diesel Tank
Hidalgo County Precinct No. 2 301 E. State- Pharr, Texas Phone No. 956/787/1891 Contact: Yoli Cisneros	One (1) 3000 Gallon Diesel Tank One (1) 1,000 Gasoline Tank
Hidalgo County Precinct No. 3- Shop 414 W. 12 th Street- Mission, Texas Phone No. 956/585-4509 Contact: Olivero Solis/ J.D. Villarreal	Two (2) 2000 Gallon Off Highway Diesel Tanks One (1) 1,000 Gallon Diesel Tank One (1) 2,000 Gallon Gasoline Tank One (1) 200 Gallon Diesel
Hidalgo County Precinct No. 4- Adm./ Shop 1102 N. Doolittle Road- Edinburg, Texas Phone No.: 956/383-3112 Contact: Jr. Munoz	One (1) 6000 Gallon Gasoline Tank One (1) 4000 Gallon On-Highway Diesel Tank
Old Hidalgo County Sheriff's Department 3100 S. Highway 281 Edinburg, Texas 78539 Phone No.: (956) 318-2649 Contact: Daniel Flores	One (1) 15,000 Gallon Diesel Tank One (1) 150 Gallon Diesel

Bidder shall also deliver the fuel ordered within 24 hours of the County's order to County's existing generators at the sites listed as follows:

	GENERATORS
Hidalgo County Adult Detention Center 701 E. El Cibolo Road- Edinburg, Texas Phone No. 956/383-8114 Contact: Capt. Joe Jackson	Two (2) 2,400 Gallon Diesel Fuel Tanks
Hidalgo County Adult Detention Center 711 E. El Cibolo Road- Edinburg, Texas Phone No. 956/383-8114 Contact: Capt. Joe Jackson	One (1) 1,000 Gallon Diesel Fuel Tank
Hidalgo County Adult Detention Center (Motorpool) 713 E. El Cibolo Road- Edinburg, Texas Phone No. 956/383-8114 Contact: Capt. Joe Jackson	One (1) 100 Gallon Diesel Fuel Tank

In the event discounts are to be granted for rapid payment, bidder is encouraged to express any such discount in its bid.

VII. ADDITIONAL INFORMATION:

Hidalgo County is requesting that any all and questions, inquiries, and clarifications regarding this bid be addressed to, Moises Salazar, Buyer, Hidalgo County Purchasing Department, 100 East Cano, 4th Floor, Administration Building, Edinburg, Texas 78539. **TELEPHONE INQUIRIES WILL NOT BE ACCEPTED.**

ALL WRITTEN INQUIRIES WILL BE ACCEPTED VIA FACSIMILE BY NO LATER THAN, Wednesday, May 18, 2005, 5:00P.M. Responses to said inquiries will be sent to all applicants via facsimile by no later than, 5:00P.M., May 20, 2005.

EXHIBIT "B"
PAYMENT SCHEDULE

HIDALGO COUNTY
"GASOLINE, ON & OFF HIGHWAY DIESEL FUEL"
BID NO. 2005-122-05-25-MSS

BID PAGE

- OPTION I- DELIVERY OF FUEL TO HIDALGO COUNTY SITES.**
OPTION II- VENDOR FUELING STATIONS

APPROXIMATE QUANTITIES		OPTION I/II- UNIT PRICE
200,000 Gallons Unleaded Plus Gasoline, supplied by one of the refiners listed in Current OPIS Report	OPIS PRICE	1.4685
Min. 89 Octane/ 1G API Regional Specs	STATE TAX	.2000
Margin of profit includes remediation fees	MARGIN OF PROFIT	.0790
TOTAL PRICE PER GALLON		1.7475

APPROXIMATE QUANTITIES		OPTION I/II- UNIT PRICE
200,000 Gallons Super Unleaded Gasoline, supplied by one of the refiners listed in Current OPIS Report	OPIS PRICE	1.5185
Min. 91 Octane/ 1G API Regional Specs	STATE TAX	.2000
Margin of profit includes remediation fees	MARGIN OF PROFIT	.0790
TOTAL PRICE PER GALLON		1.7975

APPROXIMATE QUANTITIES		OPTION I/II- UNIT PRICE
200,000 Gallons Unleaded Gasoline, supplied by one of the refiners listed in Current OPIS Report	OPIS PRICE	1.4285
Min. 87 Octane/ 1G API Regional Specs	STATE TAX	.2000
Margin of profit includes remediation fees	MARGIN OF PROFIT	.0790
TOTAL PRICE PER GALLON		1.7075

APPROXIMATE QUANTITIES		OPTION I/II- UNIT PRICE
150,000 Gallons Diesel Fuel #2 Grade, (Off Highway Use), supplied by one of the refiners listed in Current OPIS Report 40 Cetane/ 1GXAPI Regional Specs. (No oxinated and/or alcohol base compound may be added)	OPIS PRICE	1.3775
	STATE TAX	.0000
Margin of profit includes remediation fees	MARGIN OF PROFIT	.0790
TOTAL PRICE PER GALLON		1.4565

APPROXIMATE QUANTITIES		OPTION I/II- UNIT PRICE
150,000 Gallons Diesel Fuel #2 Grade, (Highway Use), supplied by one of the refiners listed in Current OPIS Report 40 Cetane/ 1GXAPI Regional Specs. (No oxinated and/or alcohol base compound may be added)	OPIS PRICE	1.4825
	STATE TAX	.2000
Margin of profit includes remediation fees	MARGIN OF PROFIT	.0790
TOTAL PRICE PER GALLON		1.7615

MARGIN OF PROFIT: MARK UP OR MARKDOWN ON PRICE
(PRICE IN DOLLARS AND CENTS)

UBD LOW RACK	---	---	139.60
UBD HIGH RACK	---	---	139.60
UBD RACK AVG	---	---	139.60
CONT AVG-05/20	---	---	140.63
CONT LOW-05/20	---	---	139.75
CONT HIGH-05/20	---	---	141.20

2005-0

CORPUS CHRIS, TX **OPIS GROSS SPECIALTY DISTILLATE FUELS**

			Jet	Latest	Marine	Latest	Date of
			Move	Move	Move	Move	Move
Valero	u	N-10	156.65	- 2.80	---	---	05/21
LOW RACK			156.65				
HIGH RACK			156.65				
RACK AVG			156.65				
UBD LOW RACK			156.65				
UBD HIGH RACK			156.65				
UBD RACK AVG			156.65				
CONT AVG-05/20			159.45				
CONT LOW-05/20			159.45				
CONT HI- 05/20			159.45				

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5/23/05

2005-0

HARLINGEN, TX **OPIS DIRECT GROSS CLEAR PRICES**

	Terms	Unl	Move	Mid	Move	Pre	Move
Valero	u	N-10	142.85	- 1.75	146.85	- 1.75	151.85 - 1.7
Shamrock	b	1-10	146.00	- 1.45	150.00	- 1.45	156.00 - 1.4
DiamondSh	b	1-10	146.20	- 1.45	150.20	- 1.45	156.20 - 1.4
Chevron	b	1-10	146.50	- 2.10	151.10	- 2.10	156.50 - 2.1
Tex-Chev	b	1-10	146.50	- 2.10	151.10	- 2.10	156.50 - 2.1
Citgo	b	1-10	147.65	- .70	151.65	- .70	157.65 - .7
LOW RACK			142.85		146.85		151.85
HIGH RACK			147.65		151.65		157.65
RACK AVG			145.95		150.15		155.78
BRD LOW RACK			146.00		150.00		156.00
BRD HIGH RACK			147.65		151.65		157.65
BRD RACK AVG			146.57		150.81		156.57
UBD LOW RACK			142.85		146.85		151.85
UBD HIGH RACK			142.85		146.85		151.85
UBD RACK AVG			142.85		146.85		151.85
CONT AVG-05/20			147.54		151.74		157.38
CONT LOW-05/20			144.60		148.60		153.60
CONT HIGH-05/20			148.60		153.20		158.60

BROWNSVILLE-HARLINGEN, TX

LOW RETAIL	187.57
AVG RETAIL	189.64
LOW RETAIL EX-TAX	148.62
AVG RETAIL EX-TAX	150.69
RACK/RETAIL P+/L- +	4.74

2005-0

HARLINGEN, TX **OPIS GROSS NO.2 DISTILLATE FUELS**

			No.2	Latest	No.2	Latest	No.2	Late
			LS	Move	HS	Move	ULS	Move
Valero	u	N-10	148.10	- 2.80	137.75	- 1.05	---	---
COP	u	N-10	148.40	- 2.35	---	---	---	---
Citgo	b	1-10	149.80	- 2.10	---	---	---	---
DiamondSh	b	1-10	149.90	- 2.55	---	---	---	---
Shamrock	b	1-10	149.90	- 2.55	---	---	---	---
Chevron	b	1-10	150.20	- 1.30	---	---	---	---
Tex-Chev	b	1-10	150.20	- 1.30	---	---	---	---
LOW RACK			148.10		137.75		---	---
HIGH RACK			150.20		137.75		---	---

RACK AVG	149.50	137.75	---	---
BRD LOW RACK	149.80	---	---	---
BRD HIGH RACK	150.20	---	---	---
BRD RACK AVG	150.00	---	---	---
UBD LOW RACK	148.10	137.75	---	---
UBD HIGH RACK	148.40	137.75	---	---
UBD RACK AVG	148.25	137.75	---	---
CONT AVG-05/20	151.64	138.80	---	---
CONT LOW-05/20	150.75	138.80	---	---
CONT HIGH-05/20	152.45	138.80	---	---

2005-0

HARLINGEN, TX **OPIS GROSS NO.2 RED-DYED FUELS**

		No.2	Latest	No.2	Latest	No.2	Late
		LS RD	Move	Pre.LS RD	Move	ULS RD	Move
COP	u	N-10	148.75 - 2.35	---	---	---	---
LOW RACK			148.75	---	---	---	---
HIGH RACK			148.75	---	---	---	---
RACK AVG			148.75	---	---	---	---
UBD LOW RACK			148.75	---	---	---	---
UBD HIGH RACK			148.75	---	---	---	---
UBD RACK AVG			148.75	---	---	---	---
CONT AVG-05/20			151.10	---	---	---	---
CONT LOW-05/20			151.10	---	---	---	---
CONT HIGH-05/20			151.10	---	---	---	---

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2005-0

LAREDO, TX **OPIS DIRECT GROSS CLEAR PRICES**

	Terms	Unl	Move	Mid	Move	Pre	Move
Valero	u	N-10	142.55 - 1.65	146.55	- 1.65	152.55	- 1.6
Shamrock	b	1-10	146.60 - 1.70	150.60	- 1.70	156.60	- 1.7
DiamondSh	b	1-10	146.80 - 1.70	150.80	- 1.70	156.80	- 1.7
COP	b	1-10	147.25 - 1.30	151.75	- 1.30	157.75	- 1.3
Chevron	b	1-10	147.50 - 1.00	152.00	- 1.00	158.00	- 1.0
Tex-Chev	b	1-10	147.50 - 1.00	152.00	- 1.00	158.00	- 1.0
Citgo	b	1-12	147.80 - .50	151.80	- .50	157.80	- .5
LOW RACK			142.55	146.55		152.55	
HIGH RACK			147.80	152.00		158.00	
RACK AVG			146.57	150.79		156.79	
BRD LOW RACK			146.60	150.60		156.60	
BRD HIGH RACK			147.80	152.00		158.00	
BRD RACK AVG			147.24	151.49		157.49	
UBD LOW RACK			142.55	146.55		152.55	
UBD HIGH RACK			142.55	146.55		152.55	
UBD RACK AVG			142.55	146.55		152.55	
CONT AVG-05/20			147.84	152.05		158.05	
CONT LOW-05/20			144.20	148.20		154.20	
CONT HIGH-05/20			148.55	153.05		159.05	

LAREDO, TX

LOW RETAIL	182.77
AVG RETAIL	186.96
LOW RETAIL EX-TAX	143.82
AVG RETAIL EX-TAX	148.01
RACK/RETAIL P+/L-	+ 1.44

2005-0

LAREDO, TX **OPIS GROSS NO.2 DISTILLATE FUELS**

		No.2	Latest	No.2	Latest	No.2	Late
		LS	Move	HS	Move	ULS	Move
Valero	u	N-10	148.20 - 2.85	---	---	---	---
COP	u	N-10	148.30 - 2.35	152.35	- 2.35	---	---
Chevron	b	1-10	148.80 - 1.90	---	---	---	---
Tex-Chev	b	1-10	148.80 - 1.90	---	---	---	---

EXHIBIT "C"
INSURANCE REQUIREMENTS

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

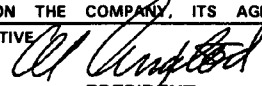
DATE (MM/DD/YY)
02/10/06

PRODUCER FEDERATED MUTUAL INSURANCE COMPANY Home Office: P.O. Box 328 Owatonna, MN 55060 Phone: 1-888-333-4949	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 ARGUINDEGUI OIL COMPANY II LTD PO BOX 1367 LAREDO TX 78042	COMPANIES AFFORDING COVERAGE COMPANY A FEDERATED MUTUAL INSURANCE COMPANY OR FEDERATED SERVICE INSURANCE COMPANY COMPANY B COMPANY C COMPANY D

COVERAGES
 THIS IS TO CERTIFY THAT 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. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT	9868065	04/01/06	04/01/07	GENERAL AGGREGATE \$ 2,000,000
					PRODUCTS - COMP/OP AGG \$ 2,000,000
					PERSONAL & ADV INJURY \$ 1,000,000
					EACH OCCURRENCE \$ 1,000,000
					FIRE DAMAGE (Any one fire) \$ 100,000
					MED EXP (Any one person) \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	9868065	04/01/06	04/01/07	COMBINED SINGLE LIMIT \$ 1,000,000
					BODILY INJURY (Per person) \$
					BODILY INJURY (Per accident) \$
					PROPERTY DAMAGE \$
					AUTO ONLY - EA ACCIDENT \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY:
					EACH ACCIDENT \$
					AGGREGATE \$
A	EXCESS LIABILITY <input checked="" type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM	9868067	04/01/06	04/01/07	EACH OCCURRENCE \$10,000,000
					AGGREGATE \$10,000,000
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL				WC STATUTORY LIMITS
					OTHER
					EL EACH ACCIDENT \$
					EL DISEASE - POLICY LIMIT \$
	EL DISEASE - EA EMPLOYEE \$				
	OTHER				

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS
 CERTIFICATEHOLDER IS AN ADDITIONAL INSURED FOR GENERAL LIABILITY.

CERTIFICATE HOLDER 2292983 HIDALGO COUNTY PURCHASING DEPARTMENT 100 EAST CANO EDINBURG TX 78539	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.
	AUTHORIZED REPRESENTATIVE  PRESIDENT

HIDALGO COUNTY
"GASOLINE, ON & OFF HIGHWAY DIESEL FUEL"
BID NO. 05-122-05-25-MSS

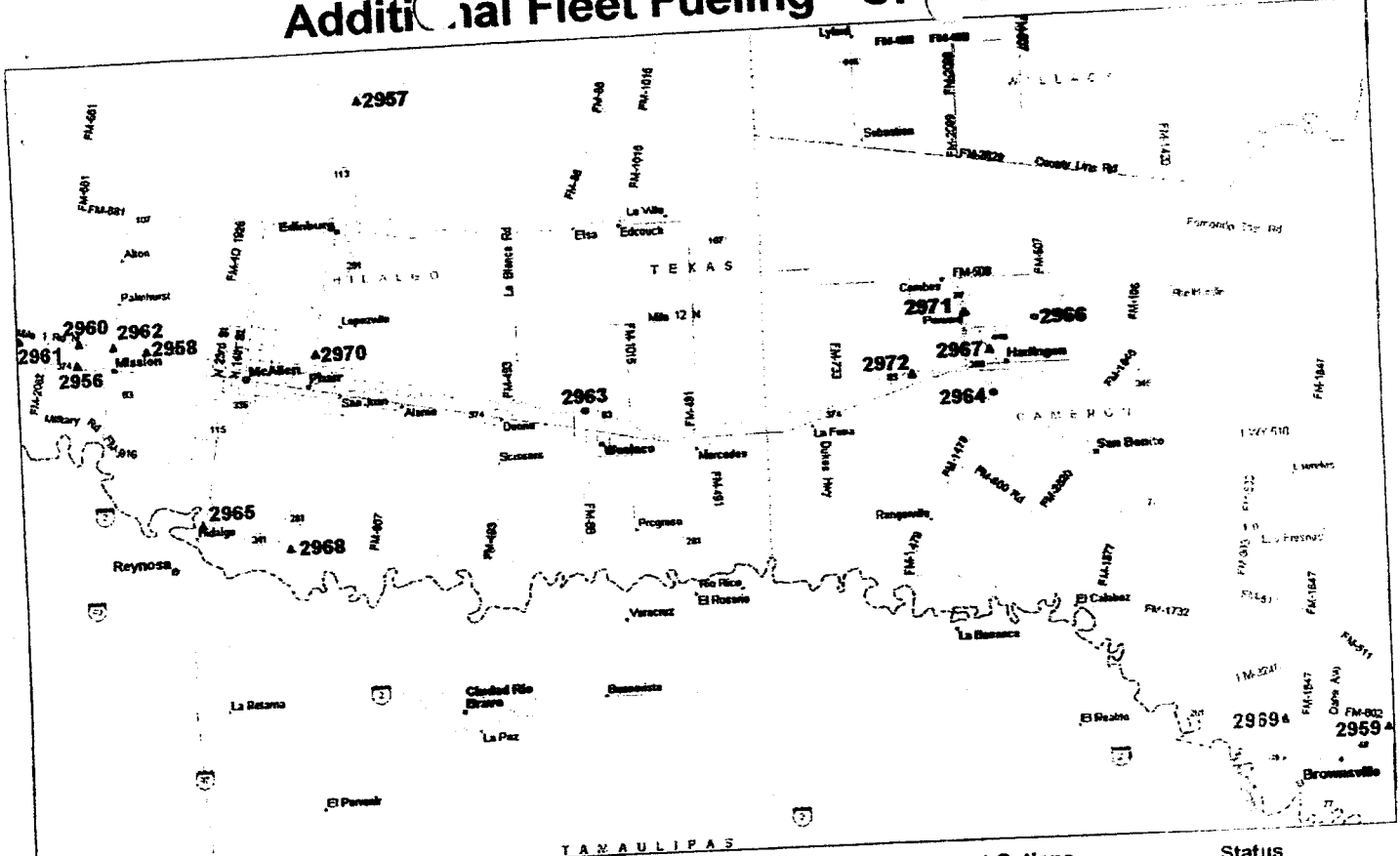
CHECKLIST

- | | | |
|---|---|-----------------------------|
| 1. Does bidder comply with providing gasoline fueling stations? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Does bidder comply with providing at least one diesel fueling station? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Does bidder provide a twenty-four (24) hour Edinburg fueling station? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. Will bidder provide storage tanks and pumps to Hidalgo County? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 5. Was a list of references submitted along with the bid? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

FUELING STATIONS

CITY	SITE	ADDRESS	PHONE NUMBER	CONTACT PERSON	FUEL (GASOLINE, DIESEL)
Edinburg	TA Truck Stop	8301 N. Hwy 281	956-383-0788	Store Mgr.	Gasoline/ Diesel
McAllen	Mundo's Groc.	3501 W. Hwy 107	956-381-5312	Reymundo de Leon	Gasoline/Dies
Mission	Leo's #4	6100 W. Hwy 83	956-585-3818	Store Mgr.	Gasoline/Dies
	United #2	1600 Griffin Pkwy	956-585-0323	Store Mgr.	Gasoline/Dies
	Leo's #3	1800 Griffin Pkwy	956-584-3441	Store Mgr.	Gasoline/Dies
Pharr	Valley66 #2	10602 S. Cage		Store Mgr.	Gasoline/Dies
	Sunrise R.V.	2800 N. Cage	956-781-2841	Store Mgr.	Gasoline/Dies
Weslaco	Mid-Valley	1006A N. Texas Blvd	956-968-5063	Store Mgr.	Gasoline/Dies
	Express				

Additonal Fleet Fueling - CFP Sites



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Site	Name	Address	City	Payment Options	Status
2956	Leo's Drive Inn #4	6100 W Hwy 83	Mission	Pay at Register	Ready
2957	Edinburg Truck Stop	8301 N Hwy 281	Edinburg	Pay at Register	Ready
2958	United Drive Inn #2	1600 Griffin Pkwy	Mission	Pay at Register & Pump	Ready
2959	Gordon Bait & Tackle	7066 E 14Th	Brownsville	Pay at Register	Ready
2960	Leo's Drive Inn #3	1800 Griffin Pkwy	Mission	Pay at Register	Ready
2961	United Drive Inn #4	2201 W Hwy 83	Mission	Pay at Register & Pump	Ready
2962	United Drive Inn #1	111 E Griffin Pkwy	Mission	Pay at Register & Pump	Ready
2963	Mid Valley Express	1006-A N Texas Blvd	Weslaco	Pay at Register & Pump	Ready
2964	Breaktime #3	2203 S F St, Harlingen	Harlingen	Pay at Register & Pump	Ready
2965	Valley 66 #1	402 N International	Hidalgo	Pay at Register & Pump	Ready
2966	O.N.A. #5	2426 E Loop 499	Harlingen	Pay at Register & Pump	Ready
2967	Breaktime #7	802 N Commerce	Harlingen	Pay at Register & Pump	Ready
2968	Valley 66 #2	10602 S Cage	Pharr	Pay at Register	Ready
2969	Breaktime #6	22875 N Exp 77	Brownsville	Pay at Register	Ready
2970	Sunrise RV	2800 N Cage	Pharr	Pay at Register	Ready
2971	O.N.A. #4	2305 N Loop 499	Harlingen	Pay at Register	Ready
2972	Breaktime #4	16470 N Exp 83	Harlingen	Pay at Register	Ready



ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)
02/10/06

PRODUCER

FEDERATED MUTUAL INSURANCE COMPANY
Home Office: P.O. Box 328
Owatonna, MN 55060
Phone: 1-888-333-4949

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COMPANIES AFFORDING COVERAGE

COMPANY A FEDERATED MUTUAL INSURANCE COMPANY OR
FEDERATED SERVICE INSURANCE COMPANY

INSURED

229-299-3
ARGUINDEGUI OIL COMPANY II LTD
PO BOX 1367
LAREDO TX 78042

COMPANY B

COMPANY C

COMPANY D

COVERAGES

THIS IS TO CERTIFY THAT 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. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT	9868065	04/01/06	04/01/07	GENERAL AGGREGATE	\$ 2,000,000
					PRODUCTS - COMP/OP AGG	\$ 2,000,000
					PERSONAL & ADV INJURY	\$ 1,000,000
					EACH OCCURRENCE	\$ 1,000,000
					FIRE DAMAGE (Any one fire)	\$ 100,000
					MED EXP (Any one person)	\$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	9868065	04/01/06	04/01/07	COMBINED SINGLE LIMIT	\$ 1,000,000
					BODILY INJURY (Per person)	\$
					BODILY INJURY (Per accident)	\$
					PROPERTY DAMAGE	\$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
					OTHER THAN AUTO ONLY:	
					EACH ACCIDENT	\$
A	EXCESS LIABILITY <input checked="" type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM	9868067	04/01/06	04/01/07	EACH OCCURRENCE	\$10,000,000
					AGGREGATE	\$10,000,000
						\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL				WC STATUTORY LIMITS	OTHER
					EL EACH ACCIDENT	\$
					EL DISEASE - POLICY LIMIT	\$
					EL DISEASE - EA EMPLOYEE	\$
	OTHER					

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS
CERTIFICATEHOLDER IS AN ADDITIONAL INSURED FOR GENERAL LIABILITY.

CERTIFICATE HOLDER

2292993

HIDALGO COUNTY PURCHASING
DEPARTMENT 100 EAST CANO
EDINBURG TX 78539

58

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

[Signature]
PRESIDENT

ACORD CORPORATION 1988