

06/26/86

OHIO TURNPIKE COMMISSION

Resolution Offering to Extend the Term of Contract SS8-A

WHEREAS, Contract SS8-A was entered into on August 11, 1980 between the Ohio Turnpike Commission ("Commission,") and Oasis Petroleum Corporation ("Oasis,") for an original term of October 1, 1980 to September 30, 1983, and the term of the contract has been extended, based on numerous requests by Oasis as permitted under the terms of the original contract until September 30, 1986, which was mutually agreed in an amendment to Contract SS8-A dated June 25, 1985;

WHEREAS, the amendment to Contract SS8-A provides that, if the Commission decides to offer a shorter extension than requested by Oasis, Oasis may refuse without prejudice to accept a shorter extension period, and the contract thereupon will terminate on September 30, 1986;

WHEREAS, Oasis has requested an extension of Contract SS8-A from September 30, 1986 to December 1, 1990, pursuant to the June 25, 1985 amendment to Contract SS8-A, and the Commission is to act on such request for extension in the period between May 1, 1986 and June 30, 1986;

WHEREAS, on January 23, 1986, Oasis filed a voluntary petition under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Central District of California, Case No. LA 86-01225-BR and said action is still pending;

WHEREAS, the executive director and general counsel of the Commission have indicated to Oasis and others involved in the Chapter 11 proceedings that they would be unwilling to recommend an extension without adequate supply and operation arrangements to be implemented in case Oasis cannot perform;

WHEREAS, Oasis and Standard Oil of Ohio ("Standard") and Mobil Oil Corporation ("Mobil") have represented to the Commission that they have entered into or are about to enter into conditional Assignment Agreements and they further represented to the Commission that they are about to enter into Dealer Agreements and that said agreements pertain to the operation of the sixteen service stations being presently operated by Oasis on the Ohio Turnpike under Contract SS8-A;

WHEREAS, the Dealer Agreements establish Oasis as a dealer for Standard on eight of the Turnpike service stations and as a dealer for Mobil on eight of the Turnpike service stations, said Dealer Agreements being conditioned upon the approval of the Bankruptcy Court;

WHEREAS, the Assignment Agreements provide for a complete assignment of Oasis' rights and duties under Contract SS8-A to Standard for eight of the service stations and to Mobil for eight of the service stations, said Assignments being contingent on the occurrence of certain specific events and said Assignment Agreements being subject to the approval of the Bankruptcy Court;

NOW, THEREFORE, BE IT

RESOLVED that the Commission hereby offers to extend the term of Contract SS8-A from October 1, 1986 to 12:00 p.m., September 30, 1988, subject to the terms and conditions of

Contract SS8-A and the amendment thereto dated June 25, 1985 and on the express condition and reservation that Oasis obtain the approval of the bankruptcy court before whom its voluntary petition in bankruptcy is pending of the Assignment Agreements and the Dealer Agreements between Oasis, Standard and Mobil, said approval to be obtained no later than July 31, 1986, and if such approval is not so obtained, the offer of the extension of the term of Contract SS8-A as set forth herein shall be void and of no effect and Contract SS8-A shall terminate on September 30, 1986; and

FURTHER RESOLVED that in the event an extension to September 30, 1988, is accepted and approved by all parties, additional extensions beyond that time up to December 1, 1990, will be considered by the Commission upon written request made by the then existing operator(s) not later than 120 days prior to the extended contract expiration. Approval of such additional extension(s) shall be at the sole discretion of the Commission; and

FURTHER RESOLVED that the executive director, with the approval of the general counsel, is hereby authorized to enter into on behalf of the Commission the various agreements dealing with the conditional assignment by Oasis of its interest in Contract SS8-A to Standard and Mobil, provided such agreements are in substantial compliance with the agreements, both in draft and executed form, which have been presented to the Commission at this meeting and provided further that such agreements as executed by the executive director for the Commission shall reflect the terms and provisions of this resolution.

(Resolution No. 3-1986 adopted June 26, 1986)