

# **Collective Agreement**

between

**Talisman Energy Inc.**

Chetwynd, BC

and the

**Communications, Energy and  
Paperworkers of Canada  
Local 686-B**

## Index

ARTICLE 1 – PURPOSE	3
ARTICLE 2 – RECOGNITION	3
ARTICLE 3 – MANAGEMENT RIGHTS	5
ARTICLE 4 – STRIKE OR LOCKOUT	5
ARTICLE 5 – SENIORITY	5
ARTICLE 6 – UNION COMMITTEES	6
ARTICLE 7 – PROMOTIONS AND JOB POSTINGS	7
ARTICLE 8 – LAYOFF AND RECALL PROCEDURES	9
ARTICLE 9 – TECHNOLOGICAL CHANGE	9
ARTICLE 10 – GRIEVANCE PROCEDURE	10
ARTICLE 11 – ARBITRATION	11
ARTICLE 12 – HOURS OF WORK	12
ARTICLE 13 – OVERTIME	15
ARTICLE 14 – WAGES PREMIUMS AND CLASSIFICATIONS	17
ARTICLE 15 – STATUTORY HOLIDAYS	19
ARTICLE 16 – ANNUAL VACATIONS	19
ARTICLE 17 – LEAVES OF ABSENCE	21
ARTICLE 18 – HEALTH AND SAFETY COMMITTEE	23
ARTICLE 19 – MISCELLANEOUS PROVISIONS	23
ARTICLE 20 – DURATION OF AGREEMENT	25
APPENDIX A – WAGES	26
APPENDIX B	27

## **ARTICLE 1 – PURPOSE**

- 1.01 This Agreement is entered into for the purpose of promoting and continuing the good relationship between the Company and its employees represented by the Union, securing prompt and equitable disposition of grievances, promoting efficiency and co-operation in the Company's operation and establishing mutually acceptable conditions of employment, Health and Safety, rates of pay and hours of work.

## **ARTICLE 2 – RECOGNITION**

- 2.01 The Company recognizes the Union as the sole bargaining agent for the employees covered by this Agreement. The Company also agrees that the Union may have the assistance of a representative of the Communication, Energy and Paperworkers Union and /or Business Agent of the Local Union in any negotiations, meetings or discussions between the parties to this Agreement as they pertain to this Agreement.
- (a) The term “employee” or “employees” whenever used shall mean any person or persons covered by this Agreement.
- 2.02 (a) This Agreement shall apply to all employees in the Monkman area as defined in the British Columbia Labour Relations Board certificate dated the 22<sup>nd</sup> of April 1994.
- (b) The Monkman area (or Monkman Field) shall be defined as the current and future catchment area that supplies natural gas for processing at the Sukunka, West Sukunka and Bullmoose processing plants and includes those plants.
- 2.03 It is agreed that this Agreement contains the complete understanding between the parties for its term. Any additions, deletions, changes, amendments or waivers affecting the terms of this Agreement shall only occur through discussions by the Company and the Union. Any agreements, amendments or changes arrived at as a result of such discussions shall become effective upon being reduced to writing and signed by both parties.
- 2.04 Every employee who is now or hereafter becomes a member of the Union shall maintain his membership in the Union as a condition of his employment and every new employee whose employment starts hereafter shall within thirty days after the start of the employee's employment apply for and maintain membership in the Union as a condition of the employee's employment.
- 2.05 The Union orientation program is to familiarize the new employees with the Union. The Unit Chairperson or his designate may spend up to one hour with employees during their first month of employment. This shall be at a time and place convenient to employee, management and the Unit Chairperson or his designate.

- 2.06 The Company shall on a semi-monthly basis deduct from the wages due to the Employees and pay to the Union the amounts of uniform Union dues, initiation fees and/or assessments as designated by the Unit Chairperson of the Union. The amounts so deducted shall be forwarded to Local 686-B Financial Secretary, Fort. St. John, BC V1J 4H8. The Company will furnish the Financial Secretary and the Unit Chairperson of Local 686-B at Chetwynd, BC a listing showing the names and payroll numbers of those employees on behalf of whom such deductions have been made, the amount deducted from each employee and all additions to and deletions from the previous listing.
- 2.07 All Union dues deducted by the Company during the preceding year and paid to the Union on behalf of the employee shall be recorded on the employee's T-4 slip.
- 2.08 The Union agrees to indemnify and hold harmless the Company from any and all claims arising from the application of 2.06.
- 2.09 The Company will provide the Union with a bulletin board at the Sukunka and Bullmoose sites where employees will be able to see and read them. Bulletin boards supplied by the Company will be affixed in agreed upon locations so the Union bulletins may be distributed. Only bulletins authorized by the Unit Chairperson will be posted or distributed. It is agreed that no notices of a political or derogatory nature will be posted thereon. Material shall be signed by the Unit Chairperson or his designate and a copy shall be supplied to the Operations Foreman.
- 2.10 An employee's file shall be open to the employee for inspection along with a management representative at a time mutually agreed upon between the employee and said representative. If any information is incorrect or inaccurate it will be corrected.
- 2.11 Shift Supervisory Personnel and Loss Control Technician not covered by this Collective Agreement will continue to perform the same work as they have historically. Such work will not be expanded in the future except in cases of emergency, training, start up or work of a research and/or development nature. No employee will be laid off as a result of such increased work by such excluded personnel.

Foremen, Engineers and other technical staff that are not covered by this Collective Agreement will, from time to time, be involved in commissioning, emergencies, testing, training, experimentation which work shall not result in the direct layoff of Union members. This is provided that they have the current qualifications and site specific training to do the required work.

Emergency is defined as where there is a potential threat to life, limb or property or where serious damage could be done to equipment.

- 2.12 The Company will not contract out work that it has the equipment to perform and the employees have the skill and ability to perform if such contracting out directly results in the layoff of qualified employees.

2.13 The Company may hire contract or temporary employees as required:

- (a) A temporary employee is a person employed for a short period usually a specified term of employment. Any temporary employee who completes 90 working days shall be given a full-time position and shall be entitled to all benefits and conditions of full-time employees at that time.
- (b) A contract employee is a person employed for a specified period up to 12 months who is hired through another Company. Such period may be extended by mutual agreement.
- (c) No full-time permanent employee shall be laid off as a result of the use of a temporary or contract employee provided said employee has the necessary skills and experience.
- (d) Only for recall purposes, a separate seniority list will be maintained for temporary employees. This recall seniority list will be valid for a period of 90 days from date of lay off.

### **ARTICLE 3 – MANAGEMENT RIGHTS**

3.01 The Union agrees that management has control of the Company's business, and that the direction and control of the Company's work force are vested exclusively in the Company, subject only to the limitations imposed upon the Company by the provisions of this Agreement. The Union further recognizes and agrees that the Company retains all the customary rights, responsibilities, functions and prerogatives of management, except as expressly modified or restricted by a specific provision of this Agreement.

### **ARTICLE 4 – STRIKE OR LOCKOUT**

4.01 There shall be no strike on the part of the Union and/or the employees, and no lockout on the part of the Company during the term of this Agreement. The definition of what constitutes a strike or lockout are found in the Labour Relations Code of BC.

### **ARTICLE 5 – SENIORITY**

5.01 Seniority shall be defined as the length of the service an employee has with the Company from the last date of hire or re-hire as the case may be. It shall be effective following a probationary period of nine hundred (900) hours worked. Such period may be extended for a further three hundred (300) hours worked on mutual Agreement of the Company and the Union.

- 5.02 Seniority shall be lost when:
- (a) an employee is discharged for just cause and is not reinstated through the grievance procedure;
  - (b) an employee is terminated, at the sole discretion of the Company, during the probationary period;
  - (c) an employee voluntarily resigns;
  - (d) an employee retires at 65, or voluntarily at lesser age;
  - (e) an employee is on layoff for a period of twelve (12) months or longer and fails to return to work within seven (7) days when recalled to work;
  - (f) an employee accepts severance pay as per 8.07;
- 5.03 Seniority shall be maintained and accumulated during:
- (a) authorized leaves of absence covered by this collective Agreement;
  - (b) absence due to layoff of less than twelve (12) months.
- 5.04 When an employee loses his seniority, his right to continued employment and/or re-employment shall cease. In the event of re-employment, such person shall start as a new employee and his right to seniority and other benefits which are based upon length of service with the Company shall be calculated from his date of re-employment as an employee.
- 5.05 A seniority list will be posted on January 1 and June 30 of each year and whenever there is a change to the seniority list. The Company will supply the Union with a copy.

## **ARTICLE 6 – UNION COMMITTEES**

- 6.01 The Company will recognize certain Union committees for meetings pertaining to matters which may arise between the parties. The committees are:
- (a) The Negotiating Committee, maximum of two (2) employees including the Unit Chairperson or his designate;
  - (b) The Union/Management Committee maximum of two (2) employees including the Unit Chairperson or his designate. The Committee shall meet at three (3) month intervals in each calendar year except that additional meetings can be convened as necessary by mutual agreement between the Company and the Union. The Company agrees that the two (2) local representatives of the Union may be assisted at any meeting of the Committee by a Union representative from

outside of the bargaining unit, the latter of whom shall have voice but no vote recognition.

- (c) All members of these Committees must be permanent employees who have completed their probationary period.
  - (d) A Safety Committee comprised of three (3) employees and three (3) management representatives as is currently constituted and known as the HSE Committee.
- 6.02 Monthly Union meetings may be held on the Company's premises after day shift is completed with the approval of the Operations Foreman or his designate as to place and time.
- 6.03 Members and alternates of each committee will be selected by the Union subject to 6.01 (c).
- 6.04 Meetings between the Company and the various Union committees will be held at mutually agreed times and places. No employee on the Union/Management Committee, the Safety Committee or on grievance meetings with management will lose any regular straight time wages as a result of such meetings. Any employee attending a meeting when not scheduled to work will be paid for their time in attendance at the meeting on a straight time basis (not counted as hours worked for the purposes of calculating overtime). The company will continue to pay as per past practice in regards to HSE committee meetings.

## **ARTICLE 7 – PROMOTIONS AND JOB POSTINGS**

- 7.01 When a vacancy is to be filled, promotion will normally be according to the lines of progression as shown in appendix "A" and subject to the consideration of the provisions of Article 7.02.
- 7.02 The senior qualified employee within the "Line of Progression" concerned will be promoted into the vacancy. An employee eligible for such promotion may sign a promotion by-pass and will not be eligible for any future promotions in that "Line of Progression" for 2 years.
- 7.03 Jobs will be posted for bidding when:
- (a) A new position is established.
  - (b) A vacancy occurs in an entry position in the "Line of Progression".
  - (c) A permanent position outside a line of progression becomes vacant.
- 7.04 When a vacancy occurs as outlined in Article 7.03 to be filled by the posting procedure, then

- (a) A job posting, open for ten (10) working days, will be placed on bulletin boards and a copy concurrently sent to the Union. The job title, qualifications required, rate of pay, shift work or days, and last date for receipt of applications will be included in such postings.
  - (b) All employees will be eligible to bid on such jobs except employees who have been successful bidders on permanent job postings within the last twelve (12) months.
- 7.05
- (a) Written applications will be required on all jobs posted for bid. Applications must be mailed by Canada Post to the Operations Foreman. A Shop Steward may file an application on behalf of an employee who is absent.
  - (b) If there is no applicants whose qualifications meet the requirement for the posted position, the Company may fill the position with the most senior of the best qualified applicants on a 30 working day trial period if there is a reasonable expectation that the said employee can do the job, or the Company may fill the position from outside the Bargaining Unit.
- 7.06
- (a) The name of the successful applicant will be posted on Company bulletin boards within ten (10) calendar days of the closing date for applications. A copy of this posting will be sent concurrently to the Union.
  - (b) When a vacancy is filled from outside the Bargaining Unit, the Company shall notify the Union in writing, within seven (7) working days, of the name of the newly-hired employee who is filling the vacancy.
- 7.07
- The successful applicant will be transferred to the new position as soon as practical. The employee shall receive the rate for the job from the date of transfer, or if the Company is not able to make such transfer within thirty (30) calendar days after posting the name of the successful applicant, then the applicant will receive the rate of pay for the new job starting at the thirty-first day, provided the new rate of pay is higher than the applicant's present rate.
- 7.08
- (a) If the rate of pay for the job to which an employee is temporarily transferred is less than the employee's regular rate of pay for the job from which the employee has been transferred the employee shall receive the employee's regular rate of pay during such temporary transfer.
  - (b) If the rate of pay for the job to which the employee is temporarily transferred is higher than the employee's regular rate of pay for the job from which the employee has been transferred, the employee shall receive the higher rate of pay from the first full working day in the job.

## **ARTICLE 8 – LAYOFF AND RECALL PROCEDURES**

- 8.01 The Company will notify the Union as soon as possible regarding any layoff, including the reasons for such layoff, the anticipated duration of the layoff and the names of the employees affected.
- 8.02 When a layoff occurs, each line of progression will reduce its personnel on a seniority basis to fill those positions the Company requires during said layoff provided those remaining have the qualifications to perform the work available.
- 8.03 If an employee, who has received layoff notice, has the necessary seniority, experience and qualifications to fill a position in another line of progression, the employee shall be able to bump the junior person in that line of progression if he so signifies within three (3) working days.
- 8.04 Employees will be recalled for work after a layoff in order of greatest seniority provided the employee being recalled has the qualifications required to perform the work available. A copy of the recall letter will be mailed to the Union.
- 8.05 Newly created jobs occurring during a period of layoff will be posted in accordance with Article 7.
- 8.06 It is the responsibility of the laid off employee to keep the Company informed of his current address and telephone numbers at which he can be contacted.
- 8.07 An employee who is affected by a layoff shall be entitled to severance pay in the amount equivalent to not less than two weeks pay plus two weeks pay for each completed year of continuous service times 1.15 (2 + 2 X1.15). This formula includes any statutory requirements. Severance pay for a partial year of service will be calculated on a prorated basis.

## **ARTICLE 9 – TECHNOLOGICAL CHANGE**

- 9.01 For the purpose of this Agreement “Technological Change” shall be defined as the automation, modification, mechanization or replacement of machinery which alters the material, process, methods or organization that affects an employee or employees in the bargaining unit through layoff or demotion.
- 9.02 (a) The Company will notify the Union in writing as soon in advance as possible of its intent to institute technological change as defined.
- (b) Within thirty days of written notification of intent, the Company will hold meetings with the Union for the purpose of discussing opportunities for re-training or transfer within the bargaining unit of the employees and discussing alternatives and reviewing methods of job placement assistance in the event of layoff.

## ARTICLE 10 – GRIEVANCE PROCEDURE

10.01 A grievance shall be defined as a dispute as to the application or interpretation of the provisions of this Agreement.

### 10.02 Step 1

- (a) Employees may discuss any differences with their immediate supervisor at any time.

Following such a discussion, the employee may submit the grievance in writing to the employee's immediate supervisor within ten (10) working days of the occurrence or the date the employee was aware or reasonably could have been aware of the occurrence. The employee's immediate supervisor shall within ten (10) working days give a written decision on the difference or dispute.

### Step 2

- (b) If the employee is not satisfied with the decision at Step 1, the employee and the steward may within ten (10) working days of the decision at Step 1 present the case in writing to the Operations Foreman.
- (c) The Operations Foreman will, if necessary, hold a meeting to discuss the grievance within ten (10) working days of receipt of the grievance. The Operations Foreman will give a decision in writing within ten (10) working days after having such a meeting or within ten (10) days of the receipt of the grievance, whichever is later.
- (d) In all discussions and presentations the employee may be represented by a Union steward and at Step 2, may be represented by the Unit Chairperson or designate.

10.03 If the decision is not satisfactory to the employee, the Union may submit the dispute to arbitration as proved in Article 11. The grieving party will advise the other party of its intention to seek arbitration by written notice mailed within thirty (30) calendar days after the answer in Step 2. If such notice is not mailed within thirty (30) calendar days the grievance shall be deemed to be settled according to the final answer given the grievor at Step 2.

10.04 Working Days as specified in this Article refer to the grievor's work schedule.

10.05 If a grievance as defined in Article 10.01 above involves a group or groups of employees the grievance procedure may be commenced at Step 2 of the grievance procedure. Such grievance must be submitted in writing within ten (10) calendar days of the event giving rise to the grievance.

- 10.06 If the Company has a grievance it shall file the same in writing and submit it to the Union within ten (10) calendar days of the event giving rise to the grievance. Such grievance shall be presented at Step 2 of the grievance procedure.
- 10.07 If a grievance is not processed or answers provided within the time limits at Step 1 the grievance shall be then considered as automatically referred to Step 2. Arbitration cannot be invoked on an automatic basis but only by giving the necessary notice as provided in Article 10.03.
- 10.08 Time limits for settlement of grievances at any step may be extended by mutual Agreement of the Company and the Union in writing.
- 10.09 The Union will be given a copy of any written disciplinary action issued to an employee within seven (7) days of the issue arising.
- 10.10 If an employee is discharged or suspended, written notice of such discharge or suspension shall be given or sent to the employee by registered mail within five (5) working days of discharge or suspension. A copy of the notice of such suspension or discharge shall be sent to the Unit Chairperson of the Bargaining Unit.
- 10.11 If an employee believes that being discharged or suspended without just and sufficient cause, the matter shall be presented at Step 2 of the grievance procedure within ten (10) calendar days after the receipt of the notice required in Article 10.10.

## **ARTICLE 11 – ARBITRATION**

- 11.01 (a) Within thirty (30) days of the referral to Arbitration, the parties shall attempt to agree upon a chairperson. If they fail to agree on a chairperson, either party may apply to the Minister of Labour to appoint a chairperson.
- (b) Upon his selection or appointment, the Arbitrator shall fix a date for hearing the grievance as soon as possible after the date of the selection or appointment.
- (c) The Arbitrator shall deliver his award in writing to each of the parties within twenty (20) days after all the evidence has been submitted. The award shall be binding upon the parties, but, in no event shall the Arbitrator have the power to alter, modify, or amend this Agreement in any respect.
- (d) Grievances submitted to arbitration shall be in writing and shall clearly specify the nature of the issue.
- (e) Each party shall pay half the fee and expenses of the Arbitrator.
- (f) Each party shall be responsible for the costs of its witnesses in accordance with arrangements made by the party with such witnesses.
- 11.02 An Arbitration Board may be appointed to replace the single Arbitrator if either party so desires.

- 11.03 (a) A board of arbitration shall consist of three (3) members, one to be chosen by each party within thirty (30) days of receipt of notification. The third who shall be chairperson, will be selected by the two so appointed. The members chosen by the parties concerned must meet within seven (7) days of their selection, and they shall be allowed a further seven (7) days to agree upon a chairperson. If they fail to agree on a chairperson, either party may apply to the Minister of Labour to appoint a chairperson.
- (b) Upon his selection or appointment, the chairperson of the Board of arbitration shall fix a date for hearing the grievance as soon as possible after the date of the chairperson selection or appointment.
- (c) The Board shall deliver its award in writing to each of the parties within twenty (20) days after all the evidence has been submitted. The award of a majority of the Board shall be the award of the Board and shall be binding upon the parties, but, in no event, shall the Board have the power to alter, modify, or amend this Agreement in any respect.
- (d) Grievances submitted to the Board of Arbitration shall be in writing and shall clearly specify the nature of the issue.
- (e) Each party shall bear the fee and expense of the member appointed by such party and shall pay half the fee and expense of the chairperson and other expenses of the Board.
- (f) Each party shall be responsible for the costs of its witnesses in accordance with arrangements made by the party with such witnesses.
- 11.04 The Arbitrator shall not have the power to add to, or subtract from in any way the terms of this Agreement. The Arbitrator may consider only the particular issue or issues presented to him and the Arbitrator's decision must be based solely on the interpretation of the provisions of this Agreement.
- 11.05 The decision of the Arbitrator shall be final and binding on both parties and upon any employee so affected.

## **ARTICLE 12 – HOURS OF WORK**

- 12.01 The work day shall be the 24- hour period commencing at 7:00 am each day.
- 12.02 (a) Depending on the work cycle that an employee is on, the basic work day will be 8, 10 or 12 hours of work per day.
- (b) The 8-hour workday will only be used for training courses, light duty, start-up, commissioning and other non-regular jobs.

- 12.03 (a) No employee working on a continuous shift will leave his position until properly relieved and only with the authority of a supervisor or foreman.
- (b) Employees working 8, 10 or 12-hour non-continuous shifts shall not leave their positions until the stated end of the shift unless given permission by a supervisor or foreman.
- (c) For employees on the 12-hour continuous shift, they are expected not to leave until the stated end of their shift.
- (d) On a 12-hour continuous work cycle, an employee may leave up to one half (1/2) hour prior to the stated end of his shift provided:
- (i) His relief man has arrived and is at work;
  - (ii) There are no emergent requirements;
  - (iii) The supervisor has given his permission.
- 12.04 (a) The work week shall be the period commencing at 7:00 am Monday and ending at 7:00 am on the Monday immediately following. An employee's normal days of rest will be consecutive.
- (b) The basic work week shall be 40 hours of work per week. For employees on the 10 or 12-hour shift work schedule cycle, the basic work week will be an average of 40 hours of work per week. Any hours worked in excess of the average 40 hours per week on the said 10 or 12-hour shift work schedule cycle will be paid as per Article 13.01 (b)
- 12.05 It is understood that the Company's work day and work week as defined in Articles 12.01 and 12.04 will start at 7:00 am for the purposes of overtime and designated holidays as well as other provisions of this Agreement.
- 12.06 The Company will give an employee seventy-two (72) hours notice of any changes in the employee's schedule. If less than seventy-two (72) hours notice is given, the first two (2) shifts will be paid at overtime rates.
- 12.07 An employee who cannot report for work on his scheduled shift shall notify his immediate Supervisor or Operations Foreman and wherever practicable such notice shall be given at least eight (8) hours prior to the beginning of his shift.
- 12.08 (a) The normal number of hours of work is stated solely for the purpose of calculating overtime and shall not be construed as a guarantee of any minimum or as a restriction on any maximum numbers of hours to be worked.
- (b) Nothing in this article shall be deemed to either guarantee or limit hours of work and schedules may be changed by management as necessary to meet work requirements, unless contrary to some provision(s) of this Collective Agreement.
- 12.09 (a) All employees on a continuous shift schedule will have a paid thirty (30) minute lunch period.

- (b) Lunch periods, paid or unpaid, will begin at 12 noon or midnight unless plant operations dictate otherwise and will be taken at the worksite of the employee.

12.10

- (a) For employees travelling to and from work each day, a travel allowance of Twenty-Seven Dollars (\$27.00) will be paid on each day travelled effective April 1, 2005.
- (b) The travel allowance described in Clause 12.10(a) above shall only apply to work locations that meet both of the following two (2) conditions:
  - (i) The work location must be located more than fifty (50) kilometres driving distance from the town centre of Chetwynd, British Columbia; and
  - (ii) The travel time from the town centre of Chetwynd, British Columbia to the work location must require more than one (1) hour driving time under normal driving conditions.

12.11 Employees will be able to make mutually acceptable changes of shifts based on the following conditions:

- (a) Limited to a maximum of twelve (12) days per year.
- (b) One block of four consecutive days is allowed in conjunction with vacation.
- (c) Only personnel with the same qualifications may exchange.
- (d) Exchanges cannot occur on crew change days.
- (e) The approval of the Supervisor or Foreman must be obtained fourteen (14) days in advance or as much in advance as reasonably possible.

12.12 The conditions outlined in Article 12.11 are the same for the original day and the payback day of the employees.

12.13 Employees may be requested to stand-by for work on their days off.

- (a) Such employee is expected to be able to return to the Chetwynd office within 1.5 hours or to the plant in 2.5 hours
- (b) The company will provide appropriate communication tools which the employee will utilize while on stand-by
- (c) Should an employee not wish to be on stand-by he will notify the company by noon on the day of his last shift. Should he experience reasonable extenuating circumstances during the stand-by period he will advise the company he cannot continue on stand-by and will not be paid for such hours.

12.14 Time on vacation and paid sick time shall be considered as hours worked for the purposes of this collective agreement.

## ARTICLE 13 – OVERTIME

13.01 Overtime shall be paid for:

- (a) All hours worked by an employee in excess of the length of the scheduled work day of the employee as per Article 12.03.
- (b) For those employees on a compressed work schedule as per Article 12.04(b) for all hours over 40 when averaged over a two-week schedule.
- (c) For all hours worked by an employee on a statutory holiday.
- (d) For all hours worked on an employee's scheduled day(s) off, with the exception of 6.04 (a).

13.02 Overtime will be paid at the rate of two (2) times the employee's basic hourly rate.

13.03 Overtime will be distributed as equitably as is reasonably practical among employees normally performing the work in the area or crew, who have the required skills and abilities to perform the work. This article expresses the policy of the company to schedule overtime in the following manner.

An overtime list will be maintained and posted.

- 1) The list is voluntary and it is the employee's responsibility to place his name on the list.
  - 2) The overtime balance will be a continuing balance
  - 3) The overtime balance will be kept to within 84 hours with the exception of Commissioning, Bullmoose night call-outs, and vacations, however, the hours worked will be included in the total
  - 4) Overtime will be offered in a maximum of 36-hour blocks.
  - 5) All new employees entering the list will enter at the median number of hours of the entire group.
  - 6) If an employee wishes to enter the list he will be added at the median number of hours of the entire group.
  - 7) If an employee removes himself from the list it will be for a minimum of three months.
- a) For overtime scheduled with less than 72 hrs notice:  
The Company will call the employee with the least number of overtime hours to work first. If it is refused or there is no contact the company will move to the next name on the list and a refusal will be logged.
- b) For overtime scheduled more than 72 hours in advance:
- 8) The Company will call the employee with the least number of overtime hours to work first
  - 9) If it is refused or there is no contact the company will move to the next name on the list. The company will log a refusal at this time.

- 10) If a message is left, move to the next on the list.
- 11) He must respond by 10.00am the next morning to the message in order to not receive a refusal.
- 12) The refusals will be logged on the log sheet. A contractor should not be used until all available people have received refusals.

13.04 Up-to-date lists showing how overtime has been allocated within the particular group in the area or crew shall be posted by the foreman. If the employee does not accept an overtime assignment it will be considered as overtime worked and so recorded. If the balance of overtime worked among a group which normally shares work is not maintained a grievance may be filed.

13.05 An employee called out to work from home with less than 72 hours notice will receive a minimum of four (4) hours pay at his basic rate beginning upon notification.

13.06 An employee who works in excess of sixteen (16) hours in a 24-hour period will be granted a minimum of eight (8) consecutive hours rest. The employee will not be required to report to his regular shift within such eight (8) hours. The employee will not lose any regular pay as a result of this provision provided the employee returns to work the balance of his regular shift at the end to the eight (8) hours.

13.07 For the duration of the Collective Agreement, the Company agrees to offer work normally performed by operating employees on an overtime basis (except for vacation coverage-when the maximum of two are off; construction; commission; and start-up relief) to replace full-time employees who are absent due to illness, injury, training, leaves of absence, turnarounds, plant process problems, inhibiting and statutory holidays.

Only after qualified employees are offered such opportunities will casual or contract employees be utilized.

13.08 Overtime shall be voluntary except in the case of an emergency or where specialized training is required. No employee will have previously scheduled vacation cancelled to attend such training.

13.09 (a) Whenever the Company cancels assigned overtime with less than forty-eight (48) hours prior notice, each affected employee shall be paid two (2) hours at his or her applicable straight-time hourly rate per Appendix "A". It shall be the responsibility of every employee to ensure the Company has one (1) current contact telephone number for these purposes. The Company can give the required "prior notice" either in person or by making one (1) telephone call to an employee affected by a cancellation of assigned overtime. The time of any telephone call of this nature shall in each case be recorded by the Company and this time shall be deemed to be the time of "prior notice" for the purposes of this Clause 13.09, whether or not the message can be delivered.

- (b) The provisions of Clause 13.09(a) above shall not apply when assigned overtime is cancelled due to:
  - (i) return to work of any employee after vacation or any leave of absence including, but not limited to, due to sickness;
  - (ii) cancellation of an employee's vacation or any leave of absence at the request of the employee.
- (c) It is understood that the Company may change the nature of the overtime assigned including, but not limited to, the start time without the change being considered cancellation of the overtime.

#### **ARTICLE 14 – WAGES PREMIUMS AND CLASSIFICATIONS**

14.01 Wage scales, classifications and Lines of Progression are set forth in Appendix “A” attached to and forming an integral part of this Agreement. Such rates shall be effective as indicated in Appendix “A”. Any new jobs or classifications or changes to existing jobs or classifications and wage rates and responsibilities will be discussed with the union.

- 14.02 (a) The Company will pay regular employees on a semi-monthly basis all monies due (including overtime) from the preceding pay period by direct deposit to his designated bank account.
- (b) The Company shall provide to each employee information indicating gross amount to which employee is entitled, net wages paid, all deductions and the purpose for which such deductions were made.

14.03 The following premiums will be in effect:

- (a) Current employees who have obtained or are required to obtain Power Engineering Certification will receive a monthly bonus as follows:
  - 4<sup>th</sup> Class - \$35.00/month
  - 3<sup>rd</sup> Class - \$57.00/month
- (b) For regularly scheduled hours worked during the night shift from 7:00 p.m. to 7:00 a.m. a night shift premium of \$2.59 per hour worked will be paid effective April 1, 2005 and increased to \$2.67 effective April 1, 2006.
- (c) To those employees whose primary residence (demonstrated by his Income Tax Form), complies with Revenue Canada Northern Living Regulations, a Northern Allowance of \$2.30 per hour will be paid, effective April 1, 2005, for regular scheduled hours that are worked. Should, during the term of his Agreement, the Federal Government exclude Chetwynd for the Northern Allowance, the parties will meet to determine the ramifications of such a determination.

- (d) When an employee is required by the Employer to “Stand-by” to be available to work, he shall receive a premium of \$3.00 per hour spent on “Stand-by” status.
- (e) An employee who is assigned by the Company additional responsibilities as First Aid Attendant – Level III in addition to his or her normal duties shall be paid a premium in the amount of One Dollar (\$1.00) per hour worked, including overtime, while acting in this capacity, subject to the following:
  - (i) An employee designated by the Company as First Aid Attendant – Level III shall only be entitled to any of the above premium pay while performing his or her normal duties within the Monkman catchment area as defined in Clause 2.02(b) of this Agreement.
  - (ii) Where the Company requires an employee, with the employee’s consent, to act in the capacity of First Aid Attendant – Level III in addition to his or her normal duties, the cost of obtaining and renewing, if necessary, the applicable First Aid Certificate shall be borne by the Company and leave of absence to take the necessary courses shall be granted with pay.
  - (iii) The Company specifically reserves the right to determine which, how many, if any, and when employee(s) from within the bargaining unit shall be required to act in the capacity of First Aid Attendant – Level III, subject to the consent of the employee.
- (f) A Tradesman possessing two (2) relevant Journeyman Tickets will be paid a “Dual Ticket” premium of One Hundred Fifty Dollars (\$150.00) per month, subject to the following terms and conditions:

- (i) To be eligible for the “Dual Ticket” premium, the Tradesman must normally work within the Maintenance Department.
- (ii) Relevant combinations of Journeyman Tickets for the purposes of this Clause 14.03(f) shall be defined as follows:

<u>Primary Ticket</u>	<u>Secondary Ticket</u>
Heavy Duty Mechanic	Automotive Mechanic
	Millwright
Electrician	Instrumentation Technician
Instrumentation Technician	Electrician

- g) The above premiums are paid for specified hours and are above base rates. They are not compounded by any other clause of this Agreement.

## **ARTICLE 15 – STATUTORY HOLIDAYS**

- 15.01 (a) The following shall be statutory holidays:
- |                                    |                  |
|------------------------------------|------------------|
| New Year's Day                     | Labour Day       |
| Good Friday                        | Thanksgiving Day |
| Victoria Day                       | Remembrance Day  |
| Canada Day                         | Christmas Day    |
| BC Day                             | Boxing Day       |
| 3 <sup>rd</sup> Monday in February |                  |
- (b) The above named holidays when not worked shall be paid the employee's regular straight hourly rate times the hours he normally works e.g. 8, 10 or 12.
- (c) When a statutory holiday falls on a scheduled day off, the employee will receive straight time (1 times) and a paid day off in lieu will be scheduled on a mutually agreed date within 30 days following the statutory holiday. If the day-off in lieu is unable to be scheduled, an additional 0.5 times will be paid.
- (d) An employee who works on the statutory holiday will be paid 1.5 times in lieu of a day off and 2.0 times as per 13.01 (c).
- 15.02 The Company may schedule an employee to work on any statutory holiday that falls on the employee's regular scheduled work day.
- 15.03 Should a statutory holiday occur during an employee's annual vacation, an additional day's vacation will be granted for each statutory holiday in such vacation period.
- 15.04 To qualify for statutory holiday pay, the employee must have been at work for 15 of the last 30 days and worked his scheduled shift before and after the holiday. Time on vacation will be counted as if on his regular schedule for the purpose of the forty (40) hours worked.

## **ARTICLE 16 – ANNUAL VACATIONS**

- 16.01 The period January 1<sup>st</sup> to December 31<sup>st</sup> will be recognized as the vacation year.
- 16.02 Employees who commence employment after January 1<sup>st</sup> in any year will have their vacation time adjusted to the remainder of the vacation year during the first year of employment.
- 16.03 Vacation scheduling shall be done by seniority for vacation requests received after September 1, and prior to November 1<sup>st</sup> based on the following principles:
- (a) On a seniority basis, each employee will be allowed one (1) shift cycle between May 1 and September 30. If he chooses to elect less than a full shift cycle, this will be considered to have utilized this opportunity.

- (b) The remainder of time available during May 1 and September 30 will be allocated by seniority.
- (c) No more than two (2) employees per crew (defined as everybody on a shift reporting to a single supervisor) may be on vacation at one time except for shift overlap days.
- (d) After November 1st, vacation requests are considered on a first come, first served basis.
- (e) All vacations are subject to management approval.
- (f) Management shall have the option to schedule the vacation in the current vacation year of any employee who has not scheduled his vacation by November 10 of the vacation year.

16.04 The employee's vacation pay will be based on the employee's gross earnings from January 1<sup>st</sup> to December 31<sup>st</sup>.

16.05 Employees shall be entitled to vacation in accordance with the following schedule:

Less than 1 year -	1 ½ days per month to a maximum of 15 days paid at the rate of 6% of gross annual earnings.
1 year but less than 10 -	three weeks vacation paid at 6% of gross annual earnings.
10 years but less than 20 -	four weeks vacation paid at 8% of gross annual earnings.
20 years but less than 25 -	five weeks vacation paid at 10% of gross annual earnings.
25 years and over -	six weeks vacation paid at 12% of gross annual earnings.

16.06 For the purposes of Article 16.05 continuous service will include years of service with the Company. In addition, prior service in oil and gas and other industries will be considered towards reaching the 4 weeks vacation entitlement only. The calculation of prior service to be included will be based on an employee's resume and employee file or other written proof, and the criteria used will be:

- a) Direct experience in a similar position and indirect experience in other positions will have years credited at 100%.
- b) The service date, for the purposes of reaching the 4 week vacation entitlement only will be back dated to a maximum of 10 years credit to accommodate years of

continuous service as per Article 16.05. This back dated service is for the 4 week vacation entitlement only. 20 years of Company service and 25 years of Company service will be required to reach the 5 week and 6 week vacation entitlements respectively. All other seniority provisions are decided by Article 5.01.

Employees, employed as of February 1, 2002, that are at or will be at the 4 week vacation entitlement level as of the start of the 2002 vacation year (i.e. January 1,(2002) will continue to have continuous service calculated according to the following criteria:

For the purposes of Article 16.05 continuous service will include years of service with the Company, years of service in oil and gas and other industries. The calculation of prior service to be included will be based on an employee's resume and employee file or other written proof, and the criteria used will be:

- a) Direct experience in a similar position with another oil and gas company, the employee will have years credited at 50%;
- b) Indirect experience in other positions in the oil and gas industry or a similar position in another industry, the employee will have years credited at 25%.
- c) The vacation service date will be back dated to a maximum of 10 years credit to accommodate years of continuous service as per Article 16.05. This back dated service is for entitlement of vacation only and all other seniority provisions are decided by Article 5.01.

#### 16.07 Pay In Lieu of Vacation

No employee shall continue to work and draw vacation pay in lieu of such vacations.

#### 16.08 Sick or Disabled While On Vacation

Should an employee become sick or disabled and this period of sickness and disability coincides with the employee's vacation period, the employee should notify the foreman immediately. The days the employee was ill will be regarded as sick leave if the illness can be substantiated with a doctor's note. The vacation days not taken due to illness will be re-scheduled by the employee at a later time.

#### 16.09 Bereavement While On Vacation

Should an employee be required to bereave and/or attend the funeral of a family member as outlined in Article 17.06 (a) and (d) and this bereavement/funeral time coincides when an employee is taking annual vacation, the Company will allow the employee to take vacation at a later time to the maximum allowable in accordance with Article 17.06 (d).

### **ARTICLE 17 – LEAVES OF ABSENCE**

17.01 The Company may grant a personal leave of absence without pay for a period of up to fourteen (14) calendar days providing such leave is requested in writing at least four (4) weeks in advance, unless there was no possibility that the employee had prior knowledge as to the necessity of the leave. Such leave may be extended by mutual Agreement

between the Company and the employee. Leaves may be granted subject to the following:

- (a) Employees must use up all vacations owing before leave time is to be used unless otherwise agreed to by the Company;
- (b) Employees shall lose all seniority if other employment is taken while on leave of absence from the Company.
- (c) The length of leave of absence must be stated in writing to the Company;
- (d) A permanent employee after completing his probationary period may apply for a leave of absence.
- (e) Benefits shall remain in full force while the employee is on leave of absence up to fourteen (14) calendar days.

17.02 No employee shall return from sick leave without the permission of a supervisor or foreman who may require written certification from a qualified medical doctor.

- 17.03 (a) When an employee is summoned to and reports for jury duty, or is called and reports as a witness, the employee shall be paid the difference between the daily amounts received for such jury duty or witness service and the employee's basic straight time pay for time missed.
- (b) Such differences shall be paid if the employee presents a written statement to the Company from an appropriate court officer showing dates of such jury or witness service and the amounts received for such service.

17.04 Any employee returning to work after any recognized leave of absence shall be reinstated in the employee's former job. If the job does not exist, if it is change in content or if the employee is no longer qualified to perform such work, the employee may displace any junior employee who is in a job for which the returning employee is qualified.

- 17.05 (a) The Company will grant a Union leave of absence, without pay but with maintenance and accumulation of seniority to one (1) employee giving ten (10) calendar days notice but may be less if management approves.
- (b) An extended leave of absence without pay but with maintenance and accumulation of seniority shall be granted to one (1) employee designated by the Union for conducting on a full-time basis the Union business of Local 686-B or the National Union of CEP. Such leave may be for a maximum of two years unless extended by mutual Agreement of the parties. Should the employee return to work following such leave of absence, reinstatement will be according to Article 16.11. Such employee will be replaced by a temporary or contract employee.

- 17.06 (a) In the case of the death of a member of the immediate family of an employee, the Company, upon notification in advance, will grant a maximum of three (3) consecutive days bereavement leave, plus up to 2 days travel, if required.
- (b) Common-law status will be recognized only if the employee has advised the Company of such status prior to the bereavement.
- (c) “Immediate family” is defined as the spouse, parents, step-parents, brother, sister, children, step-children, grandchildren, grandparents, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, of the employee or employee’s spouse.
- (d) For each of the three (3) days leave of absence for which the employee is eligible to receive pay, the employee shall be paid at the employee's basic straight time rate for all hours scheduled to work.
- (e) The company acknowledges that from time to time employees may have unexpected family obligations that they need to immediately deal with. A mutually acceptable solution will be discussed between the employee and their immediate supervisor.

#### **ARTICLE 18 – HEALTH AND SAFETY COMMITTEE**

- 18.01 The Company will make provisions for all employees’ safety and health during hours of employment as per requirements of appropriate legislation.
- 18.02 The Company will provide required first aid supplies and equipment in accessible parts of the operation and will encourage and foster qualified first aid instruction for its employees.

#### **ARTICLE 19 – MISCELLANEOUS PROVISIONS**

- 19.01 In the event that any future legislation renders null and void, or materially alters any provision of this Agreement, the remaining provisions shall remain in effect for the term of the Agreement and the parties shall negotiate a mutually agreeable provision to be substituted for the provision so rendered null and void or materially altered.
- 19.02 The masculine singular is used throughout this Agreement solely for ease of reading and shall be construed as meaning the feminine or plural as required.

### 19.03 Correspondence

- (a) All correspondence to the Company will be addressed to:

Area Superintendent  
Talisman Energy Inc.  
Box 1270  
Chetwynd, BC V0C 1J0

- (b) All correspondence to the Union will be addressed to:

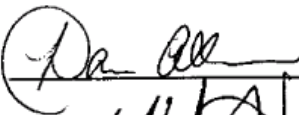
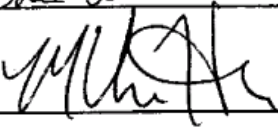
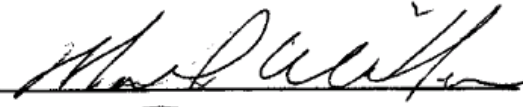

The Unit Chairman  
PO Box 62  
Chetwynd, BC V0C 1J0

**ARTICLE 20 – DURATION OF AGREEMENT**

- 20.01 This Agreement shall be for the period from and including April 1, 2005 to and including March 31, 2007. Either party to this Agreement may, within four (4) months immediately preceding the expiry, give to the other party written notice to commence collective bargaining. In the absence of such notice, the Agreement will extend in further 12-month increments.
- 20.02 It is mutually agreed that the operation of Sub-sections 2 & 3 of Section 50 of the Labour Relations Code is specifically excluded from Operation in this Agreement.
- 20.03 Should either party give written notice aforesaid, this Agreement shall thereafter continue in full force and effect and neither party shall make any change in terms of the said Agreement, until:
  - (a) The Union shall give notice to strike; or
  - (b) The Employer shall give notice of lockout; or
  - (c) The parties shall conclude a renewal or a revision of this Agreement or enter into a new Collective Agreement whichever is the earliest.

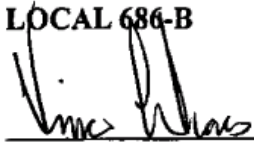

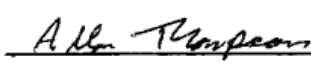
Signed at Dawson Creek, B.C. this 3<sup>rd</sup> day of June, 2005

**FOR:  
TALISMAN ENERGY INC.**

  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_

Don Percifield – Consultant  
Power Labour Relations

**FOR:  
COMMUNICATIONS, ENERGY AND  
PAPERWORKERS UNION OF CANADA,  
LOCAL 686-B**

  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
\_\_\_\_\_

### Appendix A- Monthly Salary

	Effective: <u>1-Apr-05</u>		<u>1-Apr-06</u>	
		\$/hr equiv.		\$/hr equiv.
Senior Gas Plant Operator	\$5,642.66	\$32.55	\$5,811.93	\$33.53
Gas Plant Operator I	\$5,057.89	\$29.18	\$5,209.63	\$30.06
Gas Plant Operator II	\$4,839.11	\$27.92	\$4,984.28	\$28.76
Trainee Operator I	\$4,576.57	\$26.40	\$4,713.87	\$27.20
Trainee Operator II	\$4,196.68	\$24.21	\$4,322.58	\$24.94
Roustabout	\$3,834.69	\$22.12	\$3,949.73	\$22.79
Journeyman	\$5,805.74	\$33.49	\$5,979.91	\$34.50
Lead Tradesman	\$6,118.00	\$35.30	\$6,301.54	\$36.36

#### **Special Second Trade Apprenticeship Rate**

A tradesman apprenticing in a second trade will be paid an additional rate as follows:

- After successful completion of the first year – \$0.18 per regularly scheduled hour worked.
- After successful completion of the second year – \$0.36 per regularly scheduled hour worked.
- After successful completion of the third year - \$0.54 per regularly scheduled hour worked.

## **APPENDIX B**

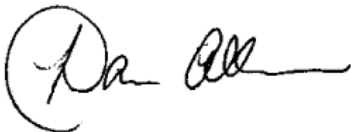
All current employees and all future employees who have not achieved Senior Operator status within 5 years of April 1, 2002 or 5 years from the date of hire, will have their employment status reviewed.

Date: June 3, 2005  
To: Communication, Energy & Paper Workers Union of Canada Local 686B  
Re: Apprenticeships

---

The company may from time to time at its discretion provide apprenticeships under the following conditions:

- 1) The candidate is required to be a senior operator with a minimum of 5 years experience on site here in the Monkman Operations.
- 2) Must be a permanent resident of Chetwynd and have a principal residence here in Chetwynd.
- 3) Must have a grade 12 education and the sufficient technical and academic background to progress through an apprenticeship
- 4) Must have a mechanical aptitude and be willing and capable to do the required work.
- 5) Candidate must successfully pass the applicable pre-apprenticeship entrance exam and other testing as identified by the company
- 6) The candidate must continue to keep him/herself fully trained in the operations (He/She must be able to act as an operator when required to assist operations, as well as be able to do the jobs that are required by operations in shutting down, locking out and starting up equipment and prepping as required by maintenance). This individual will have both operations and maintenance responsibilities.
- 7) The candidate would work the shifts that his maintenance group works.
- 8) The candidate would report to the Maintenance Foreman
- 9) Upon completion moves to (journeyman rate)
  - \*all applicable premiums as per collective agreement &
  - \*candidates will be kept whole with any future rate changes due to negotiations of the collective agreement



For the Company



For the Union

June 3, 2005  
Date

**LETTER OF INTENT**

**BETWEEN**

**Talisman Energy Inc.  
(Chetwynd, B.C.)  
("Company")**

**AND**

**Communication, Energy And Paperworkers Of Canada, Local 686-B  
("Union")**

**RE: APPRENTICESHIPS**

This letter of intent is to record the understanding reached by and between the Company and the Union during collective bargaining in 2005 such that the Parties agree to refer the matter of apprenticeships to the Union/Management Committee acting pursuant to Clause 6.01(b) and all other applicable provisions of the collective agreement. This Committee shall make recommendations as soon as possible to the Parties with respect to apprenticeships by addressing the following areas of concern:

- (1) Eligibility for apprenticeships;
- (2) Selection methodology for apprenticeships;
- (3) Cost recovery by Company when apprentice leaves employment either prior to or after completion of apprenticeship, during defined time period to be determined;
- (4) Any other relevant matter concerning apprenticeships.

It is understood and agreed that the Union and the Company shall have the right to change the collective agreement, as necessary, to reflect the written mutual agreement of the Parties concerning apprenticeships based on the recommendations of the Committee.

This Letter Of Intent shall be deemed to be incorporated into the Collective Agreement between the Company and the Union as if set forth in full therein in writing, and shall so apply.

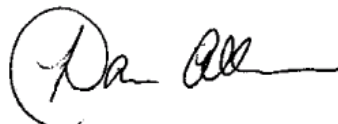
**SIGNED THIS 20<sup>th</sup> DAY OF APRIL, 2005**

**FOR THE UNION**  
CEP Local 686-B



Allan Thompson  
Unit Chairperson

**FOR THE COMPANY**  
Talisman Energy Inc.



Dan Allen  
Superintendent, Monkman Operations

Date: June 3, 2005  
To: Communication, Energy & Paper Workers Union of Canada Local 686B  
Re: Banking of Overtime

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To whom it may concern:

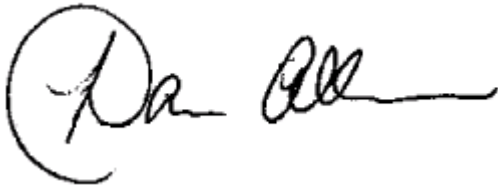
- 1) Banked time must be cost neutral to the company, and support continued and safe operations of the area.
- 2) For every hour allotted to the bank, the compensation will be one hour into the bank and one hour paid at regular straight hourly, with no benefits.
- 3) The banked time must be used in full day increments.
- 4) The employee may, on any time sheet submitted, request to be paid for any or all of the hours credited to the bank.
- 5) An employee may bank up to 80 hours maximum.
- 6) The taking of banked time requires management approval. Banked days may be used to compliment a vacation period (week) when insufficient vacation days are available. An employee must have all his/her allotted vacation scheduled, prior to having this option granted.
- 7) Vacation and training shall take precedence over banked time off.
- 8) Approved banked time off may be bumped by a vacation request as long as the vacation request is placed one month prior to the banked time off. Article 16.03(f) is revised to say "management shall have the option to schedule the vacation year, of an employee who has not scheduled his/her vacation by October 1<sup>st</sup> of the vacation year."
- 9) The approval of banked time off requests is on a first come first served basis, with only one employee in operations and/or one employee in maintenance being allowed off, on banked time.
- 10) Banked time runs from January 1<sup>st</sup> to December 31<sup>st</sup> for the purpose of requesting time off. Banked hours may be carried forward from year to year, but clause 4 above still applies.
- 11) Banked overtime will be logged on the overtime list on the date the overtime was worked, for the maintenance of the overtime balance.

- 12) Booked bank time will not be cancelled by management 8 days prior to the actual time being taken off, or during actual banked time off, unless an emergency arises.

Note: Employee's found to be taking advantage of clause 7, by continuously rescheduling their vacation time to better their banked time off, may have their requests denied.

Yours truly,

Talisman Energy Inc.

A handwritten signature in black ink, consisting of a large, stylized 'D' followed by 'A' and 'A', with a long horizontal flourish extending to the right.

Dan Allen  
Superintendent, Monkman Operations

Date: June 3, 2005  
To: Communication, Energy & Paper Workers Union of Canada  
Local 686B  
Re: Employee Benefits

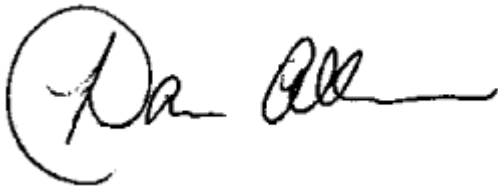
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To whom it may concern:

It is the Company's intention to continue to provide and administer its myBenefits plan for all Company employees. From time to time, changes may be made to these plans. These changes will not be implemented without first giving the CEP a written description of the planned changes and providing a minimum of one month's notice for union representatives to review and provide feedback.

Yours truly,

Talisman Energy Inc.

A handwritten signature in black ink, appearing to read 'Dan Allen', enclosed within a circular scribble.

Dan Allen  
Superintendent, Monkman Operations

**TALISMAN**  
ENERGY

TALISMAN ENERGY INC.  
SUITE 3400, 888 3RD STREET S.W.  
CALGARY, ALBERTA T2P 5C5  
FAX (403) 237-1902  
TEL (403) 237-1234  
www.talisman-energy.com

Date: June 3, 2005

To: Communication, Energy & Paper Workers Union of Canada  
Local 686B

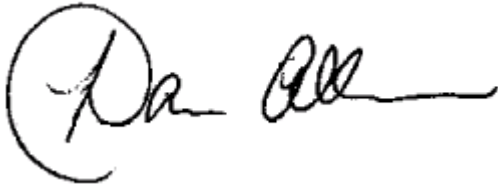
Re: Contract Renewal

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A contract renewal fee of \$500.00 will be paid to each member within one month after the renewal of the contract by both parties.

Yours truly,

Talisman Energy Inc.

A handwritten signature in black ink, appearing to read 'Dan Allen', is written over a circular stamp or mark.

Dan Allen  
Superintendent, Monkman Operations

Date: June 3, 2005  
To: Communication, Energy & Paper Workers Union of Canada  
Local 686B  
Re: Health & Safety

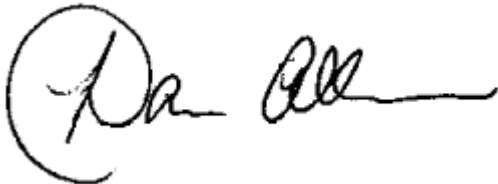
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It is the Company's intention to carry on its Health, Safety and Environment program and practices. This includes the Personal Protective Equipment policy in the manual.

Both parties agree to work cooperatively in the best interest of Health, Safety and the Environment, of both the equipment and personnel on company sites. The company is fully committed to the health and safety of the Personnel and facilities and expects full support and cooperation from the Union and individual members on these issues.

Yours truly,

Talisman Energy Inc.

A handwritten signature in black ink, appearing to read 'Dan Allen', enclosed within a hand-drawn circle.

Dan Allen  
Superintendent, Monkman Operations

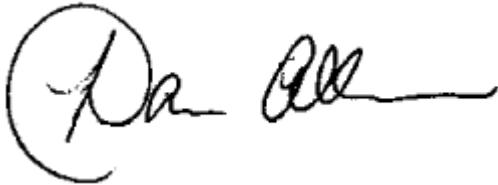
Date: June 3, 2005  
To: Communication, Energy & Paper Workers Union of Canada  
Local 686B  
Re: Layoff and Recall Procedures

---

With reference to Article 8.07-Layoff and Recall Procedures, the Company will take into consideration all applicable legislation and regulation in an effort to provide the employee with the greatest flexibility in the payment of severance.

Yours truly,

Talisman Energy Inc.

A handwritten signature in black ink, appearing to read 'Dan Allen', enclosed within a circular scribble.

Dan Allen  
Superintendent, Monkman Operations

Date: June 3, 2005  
To: Communication, Energy & Paper Workers Union of Canada  
Local 686B  
Re: Northern Travel Expenses

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To whom it may concern:

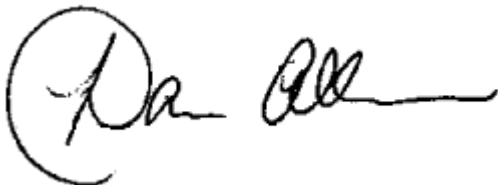
The following information is provided to explain the circumstances and method in which Talisman Energy Inc. treats the Northern Travel Expenses Benefit.

Commencing immediately, Talisman will, at the beginning of each year, designate a portion of your salary or wages to be an amount which will be shown in box 32 of your T4 slip as a Northern Travel Allowance. No payment is made to the employee and Talisman has no knowledge if the employee has actually traveled. It is the responsibility of each employee to ensure compliance with the requirements of the Income Tax Act if claiming this deduction.

This policy to designate a sum, as described above, commenced as a result of an agreement reached between Talisman and the Communications, Energy & Paper Workers Union of Canada, Local 686 during Collective Bargaining in 1998 and will be extended to all Chetwynd Employees.

Yours truly,

Talisman Energy Inc.

A handwritten signature in black ink, appearing to read 'Dan Allen', enclosed within a hand-drawn circle.

Dan Allen  
Superintendent, Monkman Operations

Date: June 3, 2005  
To: Communication, Energy & Paper Workers Union of Canada  
Local 686B  
Re: Successorship Rights

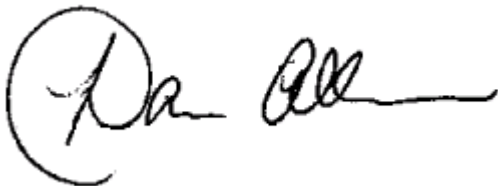
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To whom it may concern:

The Company undertakes that for the life of the current collective agreement, it will abide by the successorship provisions of the Labour Relations Code of British Columbia as it exists at the time of the writing of this letter.

Yours truly,

Talisman Energy Inc.

A handwritten signature in black ink, appearing to read 'Dan Allen', enclosed within a hand-drawn circle.

Dan Allen  
Superintendent, Monkman Operations

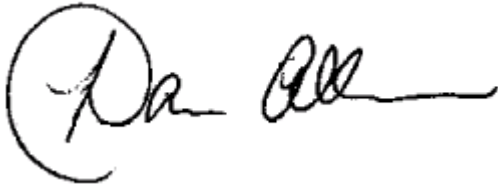
Date: June 3, 2005  
To: Communication, Energy & Paper Workers Union of Canada  
Local 686B  
Re: Educational Assistance

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It is the intention of the Company to maintain its Educational Assistance policy which may be modified from time to time.

Yours truly,

Talisman Energy Inc.

A handwritten signature in black ink, appearing to read 'Dan Allen', enclosed within a circular scribble.

Dan Allen  
Superintendent, Monkman Operations

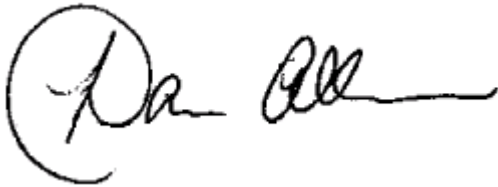
Date: June 3, 2005  
To: Communication, Energy & Paper Workers Union of Canada  
Local 686B  
Re: Human Rights Act

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The company recognizes that it is bound by the above Act and it is our intention to observe fully its provisions.

Yours truly,

Talisman Energy Inc.

A handwritten signature in black ink, appearing to read 'Dan Allen', enclosed within a circular scribble.

Dan Allen  
Superintendent, Monkman Operations