PASCO TERMINALS, INC.

Tank Inspection Program

General:

The tank inspection program is developed based on past inspections and/or repairs for each tank.

Pasco shall perform Routine Visual Inspections of each tank monthly and record the findings on the Routine Visual Inspection Report.

Pasco shall have a Cathodic Protection Survey performed by a reputable cathodic protection firm, and check the accuracy of the sulfur temperature indicator of each tank, at least every two years.

Each storage tank shall be inspected using the Out-of-Service Inspection procedures at least every fifteen (15) years.

Pasco shall retain all Routine Visual Inspection Reports for three years, and all Out-of-Service Inspections (Internal Inspection Reports) for the life of each tank.

Inspections – Pasco Shall:

1. Inspect each tank visually monthly per the attached Routine Visual Inspection Report. Any observed leakage or other problems with integrity of tanks or piping systems shall be documented on the Routine Visual Inspection Report, and the Terminal Manager shall be notified. Major leaks shall be immediately addressed to correct the problem, including the scheduling of an Out-of-Service Internal Inspection if necessary. Maintenance of the tanks or pipes shall be performed as soon as possible to ensure the integrity of the system. Records of all repairs should be maintained with the Routine Visual Inspection Reports.

2. Perform a detailed inspection of the tank shell during each Out-of-Service Inspection. This tank shell inspection shall include:
   a) A general notation on the condition of the tanks;
   b) Visually inspect interior shell of tank to include plate and plate welds;
   c) Take ultrasonic readings of the walls and roof of the tank to determine existing thicknesses. This procedure is to be accomplished from the interior surfaces;
   d) Determine minimum acceptable shell plate thickness according to API 653, Par 4.3.3.1, or other acceptable method. Schedule repair or replacement of any areas with thickness readings below the minimum acceptable values.

3. Establish schedules of Out-of-Service Inspections for each tank based on the corrosion history of the tank and repairs required per the last internal inspection. The following lists the procedures for an Out-of-Service Inspection:
   a) All product to be transferred from tank to achieve its lowest inventory level;
   b) All product inlet and outlet valves to be secured per OSHA rules;
   c) Heating steam to be secured;

d) All steam inlet and outlet valves to be secured per OSHA rules;
e) Allow tank to cool;
f) Open man-way cover;
g) Install air movers;
h) Remove side-wall insulation to accommodate for the removal of a 8.5 x 8.0 foot door sheet;
i) Cut out door sheet;
j) Visually inspect thickness of shell around area of door sheet removal;
k) Remove product from the outer perimeter of tank bottom towards the center of tank to at least sixteen feet from shell of tank;
l) Sandblast existing bottom plate as required;
m) Visually inspect exposed bottom plate;
n) Visually inspect interior shell of tank;
o) Visually inspect support beams and roof rafters;
p) Based on visual inspections:
   - Use audio gauging to test thickness of bottom plate and/or shell; and/or
   - Remove sections of bottom plate to inspect under-side of plate;
q) Based on the above inspections and best engineering practices available, remove and replace existing bottom plate and/or side-wall of tank;
r) Test all welds as needed based on the visual inspections using either vacuum, ultrasonic or dye method;
s) Replace door sheet and X-Ray welds;
t) Reheat tank slowly;
u) Slowly introduce hot product from other tank(s);
v) Visual inspect exterior of tank for leakage;
w) Replace all removed insulation.

PASCO TERMINALS, INC.

Routine Visual Inspection Report

Tank Number: _____

Inspection Items	Comments
Visually inspect entire perimeter of tank for signs of leakage to include piping, flanges and valves	_____
Visually inspect entire perimeter of concrete foundation for failure	_____
Visually inspect all vents to ensure they are clear and in good working order	_____
Visually inspect side-wall and roof insulation for failure	_____
Inspect areas around tank to ensure it is debris free; clean areas as required	_____
Visually inspect stairs and/or cage ladders to ensure safety of usage	_____
Visually inspect exhaust control system (duct hoses and box) for signs of leakage	_____
Inspect the grounding wire connections to ensure proper grounding	_____

Inspected By: _____

Date of Inspections: _____

PASCO TERMINALS, INC.

Internal Inspection Report

Tank Number: _____

Inspection Items	Comments
Visually inspect exposed bottom plate	_____
Visually inspect support beams and roof rafters	_____
Visually inspect interior shell of tank to include plate to plate welds	_____
Evaluate welds on the bottom plate and shell as necessary per the results of the visual inspections by removal of suspect area for further inspection or by use of testing methods such as vacuum, ultrasonic or dye	_____
Cut out sections of the existing bottom for visual inspection of under-side of steel plate	_____
Perform audio gauging/ultrasonic testing of bottom plate if required	_____
Take ultrasonic readings of the walls and roof to determine existing thicknesses	_____
Determine minimum acceptable shell plate thickness per API 653, Par 4.3.3.1	_____

Inspected By: _____

Date of Inspections: _____