



ARCO Pipe Line Company
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KAM CONTROLS, INC.
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Reference: KAM ONLINE REAL TIME WATER IN OIL MEASUREMENT SYSTEMS

ARCO PIPELINE COMPANY has installed several complete KAM ONLINE REAL TIME WATER IN OIL MEASUREMENT SYSTEMS at our West Coast pipelines and our Marine Dock in 1997. These systems have been tested and certified by the means of WATER INJECTION TEST by an independent third party in accordance to the API Chapters 8.2, 8.3, 10.9 and ISO 3171. We are using this equipment in an industry test site to evaluate this equipment for Automatic On Line Custody Transfer of Crude oil. To date this equipment is performing well and meeting the requirements of our customers for custody transfer measurement of water in Crude. On line S&W has reduced the variability of assessing water in crude as compared to the existing API methods.

KAM CONTROLS' personnel has provided unparalleled support for the installation, start-up, training, operation, and testing of their equipment. It has been a pleasure to work with Kim and his employees at KAM.

Kind Regards,

Timothy R. Harbert
Measurement and Volumetric Accounting Supervisor
LA Basin Operations
ARCO PIPELINE COMPANY