

**CERCLA SECTION 122(h)(1) ADMINISTRATIVE SETTLEMENT AGREEMENT  
AND ORDER ON CONSENT FOR RECOVERY OF PAST RESPONSE COSTS**

IN THE MATTER OF:	)	AGREEMENT FOR RECOVERY
	)	OF PAST RESPONSE COSTS
Disposal Systems, Inc. Environmental	)	
Removal Site	)	
Harrison County, Mississippi	)	U.S. EPA Region 4
	)	Docket No. CERCLA-4-2006-3796
	)	
Settling Parties and Settling Federal Agencies	)	
Listed in Appendix A	)	PROCEEDING UNDER SECTION
	)	122(h)(1) OF CERCLA
	)	42 U.S.C. § 9622(h)(1)

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**JURISDICTION AND GENERAL PROVISIONS**

1. This Administrative Settlement Agreement and Order on Consent for the Recovery of Response Costs (the "Settlement Agreement") is entered into voluntarily by the United States Environmental Protection Agency ("EPA"), and Chevron U.S.A., Inc., Ingalls Shipbuilding, Inc., Newpark Resources, Inc., Shell Oil Company, and Texaco, Inc. (the "Settling Parties," each individually a "Settling Party"), and the United States Department of the Navy, United States Coast Guard, and United States Postal Service (the "Settling Federal Agencies"). This Settlement Agreement provides for the reimbursement of response costs that EPA incurred in oversight of the response action regarding the Disposal Systems, Inc., Environmental Superfund Removal Site (the "Site").

2. This Settlement Agreement is entered into under the authority vested in the President of the United States by Section 122(h)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended ("CERCLA"), 42 U.S.C. § 9622(h)(1), which authority has been delegated to the Regional Administrators of the EPA by EPA Delegation No. 14-14-D and redelegated to the Superfund Branch Chiefs pursuant to Regional Delegation 1290.20 (September 29, 1997).

3. EPA has notified the state of Mississippi of this action.

4. EPA, the Settling Parties, and the Settling Federal Agencies (collectively, the "Parties") recognize that this Settlement Agreement has been negotiated in good faith and that this Settlement Agreement is entered into without the admission or adjudication of any issue of fact or law. The actions undertaken by the Settling Parties and Settling Federal Agencies in accordance with this Settlement Agreement do not constitute an admission of any liability by any



Settling Party or Settling Federal Agency. The Settling Parties and Settling Federal Agencies do not admit, and retain the right to controvert in any subsequent proceedings other than proceedings to implement or enforce this Settlement Agreement, the validity of the facts or allegations contained in this Settlement Agreement. The Settling Parties and Settling Federal Agencies agree to comply with and be bound by the terms of this Settlement Agreement and further agree not to contest the basis or validity of this Settlement Agreement or its terms in any proceedings to enforce this Settlement Agreement.

5. EPA has incurred response costs at or in connection with the Site. EPA has determined that the total past response costs of the United States at or in connection with the Site amount to \$10,647.03, excluding interest.

6. By entering into this Settlement Agreement, the mutual objective of the Parties is to avoid difficult and prolonged litigation by allowing the Settling Parties and Settling Federal Agencies to make a cash payment to resolve their alleged civil liability under Section 107 of CERCLA, 42 U.S.C. § 9607, with regard to the response costs that EPA incurred in oversight of the response action regarding the Site as provided in the Covenants by EPA in Section VII, subject to the Reservations of Rights of EPA in Section VIII, and as provided in the Covenant Not to Sue by Settling Parties in Section IX.

## **II. PARTIES BOUND**

7. This Settlement Agreement shall be binding on EPA, the Settling Parties, the Settling Federal Agencies, their successors and assigns. Any change in ownership or corporate or other legal status of any Settling Party, including but not limited to, any transfer of assets or real or personal property, shall in no way alter such Settling Party's responsibilities under this Settlement Agreement. Each signatory to this Settlement Agreement certifies that he or she is authorized to enter into the terms and conditions of this Settlement Agreement and to bind legally the Party represented by him or her.

## **III. DEFINITIONS**

8. Unless otherwise expressly provided herein, terms used in this Settlement Agreement, including the attached appendices, that are defined in CERCLA or in regulations promulgated under CERCLA shall have the meanings assigned to them in CERCLA or in such regulations. Whenever terms listed below are used in this Settlement Agreement, or in any appendices attached hereto, the following definitions shall apply:

a. "Settlement Agreement" shall mean this Administrative Settlement Agreement and Order on Consent for the Recovery of Response Costs, EPA Docket No. CERCLA-4-2006-3796.

b. "Disposal Systems" shall mean Disposal Systems, Inc.

c. "CERCLA" shall mean the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. § 9601, *et seq.*

d. "Day" shall mean a calendar day. In computing any period of time under this Settlement Agreement, where the last day would fall on a Saturday, Sunday, or federal holiday, the period shall run until the close of business of the next working day.

e. "MDEQ" shall mean the Mississippi Department of Environmental Quality.

f. "Effective Date" shall be the effective date of this Settlement Agreement as provided in Section XVI.

g. "EPA" shall mean the United States Environmental Protection Agency and any successor departments, or agencies of the United States.

h. "Interest" shall mean interest at the current rate specified for interest on investments of the EPA Hazardous Substance Superfund established by 26 U.S.C. § 9507, compounded annually on October 1 of each year, in accordance with 42 U.S.C. § 9607(a). The applicable rate of interest shall be the rate in effect at the time that the interest accrues. The rate of interest is subject to change on October 1 of each year.

i. "National Contingency Plan" or "NCP" shall mean the National Oil and Hazardous Substances Pollution Contingency Plan promulgated pursuant to Section 105 of CERCLA, 42 U.S.C. § 9605, codified at 40 C.F.R. Part 300, and any amendments thereto.

j. "Paragraph" shall mean a portion of this Settlement Agreement identified by an Arabic numeral.

k. "Parties" shall mean EPA, the Settling Parties, and the Settling Federal Agencies.

l. "RCRA" shall mean the Solid Waste Disposal Act (also known as the Resource Conservation and Recovery Act), as amended, 42 U.S.C. §§ 6901, *et seq.*

m. "Removal Action" shall mean all activities to assess, characterize and remove hazardous substances from the Site.

n. "Response Costs" shall mean those costs that EPA incurred from the response action at the Site, including interest, direct and indirect costs, through the Effective Date of this Settlement Agreement, as described in Section IV of this Settlement Agreement.

o. "Section" shall mean a portion of this Settlement Agreement identified by a

Roman numeral.

p. "Settling Parties" shall mean the Settling Parties identified in Appendix A.

q. "Site" shall mean the Disposal Systems, Inc., Environmental Superfund Removal Site, Clay Point facility located at Fifth Street, Biloxi, Harrison County, Mississippi, and identified by the Mississippi Department of Environmental Quality in the Final Closure Plan for the Clay Point Site, dated October 1996.

r. "United States" shall mean the United States of America, including all of its departments, agencies, and instrumentalities, which includes EPA.

s. "Settling Federal Agencies" shall mean the United States Department of Navy, United States Coast Guard, and United States Postal Service.

#### **IV. BACKGROUND**

9. Paragraphs 10 through 12 below contain a summary of the Site background as alleged by EPA which, for purposes of this Settlement Agreement, the Settling Parties neither admit nor deny.

10. In performing a response action, EPA incurred response costs at or in connection with the Site. EPA completed any and all Response Actions in accordance with the NCP.

11. EPA alleges that the Settling Parties and Settling Federal Agencies are each a liable party pursuant to Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), and that the Settling Parties and Settling Federal Agencies are jointly and severally liable for response costs incurred or to be incurred at or in connection with the Site.

12. EPA has determined that the total un-reimbursed past Response Costs of the United States at or in connection with the Site are approximately \$10,647.03.

#### **V. PAYMENT OF RESPONSE COSTS**

13. Payment by Settling Parties. Within thirty (30) days after the Effective Date of this Settlement Agreement, Settling Parties shall pay to EPA the total of \$ 9,000.00 to be paid by the respective Settling Parties as set forth in Appendix B, attached and incorporated into this Settlement Agreement. Payments by the Settling Parties shall be made by certified check or by Electronic Funds Transfer ("EFT") in accordance with current EFT procedures to be provided to the Settling Parties by EPA, and all payments shall be accompanied by a notice statement identifying the name and address of the party making payment, the amount of the payment, the Site name, the EPA Region and Site/Spill ID Number 04CR, and the EPA docket number for this Settlement Agreement. Payments by certified check and notices of payments shall be made to:

U.S. Environmental Protection Agency  
Cincinnati Accounting Operations  
Attn: Region 4 Superfund  
Mellon lockbox: 371099M  
Pittsburgh, PA 15251-7099EPA

Payment by ETF shall be to:

Mellon Bank  
SWIFT address = MELNUS3P  
ABA 043000261  
Account 9109125  
22 Morrow Drive  
Pittsburgh, PA 15235

13.1. As soon as reasonably practicable after the effective date of this Settlement Agreement, and consistent with Paragraph 13.1(a)(iii), the United States, on behalf of the United States Navy and United States Coast Guard, shall:

(a)(i). Pay to EPA \$97.01 in reimbursement of Past Response Costs.

(a)(ii). The total amount to be paid by the Settling Federal Agencies pursuant to Paragraph 13.1(a)(i) shall be deposited in the EPA Hazardous Substance Superfund.

(a)(iii). If the payment to EPA required by this Paragraph 13.1(a)(i) is not made as soon as reasonably practicable, the appropriate EPA Regional Branch Chief may raise any issues relating to payment to the appropriate DOJ Assistant Section Chief for the Environmental Defense Section. In any event, if this payment is not made within 120 days after the effective date of this Settlement Agreement, EPA and DOJ have agreed to resolve the issue within 30 days in accordance with a letter agreement dated December 28, 1998.

13.2. As soon as reasonably practicable after the effective date of this Settlement Agreement, and consistent with Paragraph 13.1(a)(iii), the United States Postal Service shall:

(a)(i). Pay to EPA \$7.94 in reimbursement of Past Response Costs.

(a)(ii). The total amount to be paid by the Settling Federal Agency pursuant to Paragraph 13.2(a)(i) shall be deposited in the EPA Hazardous Substance Superfund.

(a)(iii). If the payment to EPA required by this Paragraph 13.2(a)(i) is not made as soon as reasonably practicable, the appropriate EPA Regional Branch Chief may raise any issues relating to payment to the appropriate DOJ Assistant Section Chief for the Environmental

Defense Section. In any event, if this payment is not made within 120 days after the effective date of this Settlement Agreement, EPA and DOJ have agreed to resolve the issue within 30 days in accordance with a letter agreement dated December 28, 1998.

13.3. The Parties to this Settlement Agreement recognize and acknowledge that the payment obligations of Settling Federal Agencies under this Settlement Agreement can only be paid from appropriated funds legally available for such purpose. Nothing in this Settlement Agreement shall be interpreted or construed as a commitment or requirement that any Federal PRP obligate or pay funds in contravention of the Anti-Deficiency Act, 31 U.S.C. § 1341, or any other applicable provision of law.

14. EPA shall deposit the total amount to be paid pursuant to this Settlement Agreement into the EPA Hazardous Substance Superfund.

15. At the time of payment, the Settling Parties also shall send notice that payment has been made to:

Paula Batchelor  
Office of Superfund Enforcement and Information Mgmt.  
U.S. EPA, Region IV  
61 Forsyth Street  
Atlanta, GA 30303

Such additional notice shall reference the amount of the payment, the Site ID Number 04CR and the EPA docket number for this action.

## **VI. FAILURE TO COMPLY WITH SETTLEMENT AGREEMENT**

16. Interest on Late Payments. If a Settling Party fails to make a payment required by Paragraph 13 by the required due date, Interest shall accrue on the unpaid balance through the date of payment.

17. Stipulated Penalty.

a. If any payment due to EPA under Paragraph 13 is not paid by the required date, the respective Settling Party shall be in violation of this Settlement Agreement and shall pay to EPA, as a stipulated penalty, in addition to the Interest required by Paragraph 16, \$500.00 per day that such payment is late.

b. Stipulated penalties are due and payable within 30 days of the date of demand for payment of the penalties by EPA. All payments to EPA under this Paragraph shall be identified as "stipulated penalties" and shall be made payable to "EPA Hazardous Substance Superfund." The check, or a letter accompanying the check, shall reference the name and address

of the party making payment, the Site name, the Site ID 04CR, and the EPA Docket Number for this action. The payment and notice for stipulated penalties shall be directed to:

Paula Batchelor  
Office of Superfund Enforcement and Information Mgmt.  
U.S. EPA, Region IV  
61 Forsyth Street  
Atlanta, GA 30303

c. At the time of each payment, a notice also shall be sent as directed in Paragraphs 15.

d. Penalties shall accrue as provided in this Paragraph regardless of whether EPA has notified Settling Parties of the violation or made a demand for payment, but need only be paid upon demand. All penalties shall begin to accrue on the day after payment is due and shall continue to accrue through the date of payment. Nothing herein shall prevent the simultaneous accrual of separate penalties for separate violations of this Settlement Agreement.

18. In addition to the Interest and stipulated penalty payments required by this Section and any other remedies or sanctions available to EPA by virtue of Settling Parties' failure to comply with the requirements of this Settlement Agreement, if Settling Parties fail or refuse to comply with the requirements of this Settlement Agreement, EPA may seek to enforce the Settlement Agreement in accordance with Section 122(h) (3) of CERCLA, 42 U.S.C. § 9622(h) (3). If the United States, on behalf of EPA, brings an action to enforce this Settlement Agreement, Settling Parties shall reimburse the United States for all costs of such action, including but not limited to costs of attorney time.

19. Notwithstanding any other provision of this Section, EPA may, in its unreviewable discretion, waive payment of any portion of the stipulated penalties that have accrued pursuant to this Settlement Agreement. Payment of stipulated penalties shall not excuse Settling Parties from any other obligation required by this Settlement Agreement.

## **VII. COVENANTS BY EPA**

20. Covenant Not to Sue the Settling Parties by EPA. Except as specifically provided in Section VIII (Reservations of Rights by EPA), EPA covenants not to sue or take administrative action against the Settling Parties pursuant to Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), for Response Costs. This covenant shall take effect on receipt by EPA of all amounts required by Section V (Payment of Response Costs) and any amounts due under Section VI (Failure to Comply with Settlement Agreement). This covenant not to sue is conditioned on the satisfactory performance by the Settling Parties of their respective obligations under this Settlement Agreement. This covenant not to sue extends only to the Settling Parties and does not extend to any other person.

20.1. Covenant for Settling Federal Agencies by EPA. Except as specifically provided in Section VIII (Reservation of Rights by EPA), EPA covenants not to take administrative action against the Settling Federal Agencies pursuant to Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), to recover Past Response Costs. This covenant shall take effect upon receipt by EPA of all payments required by Paragraph 13.1 of Section V. This covenant is conditioned upon the satisfactory performance by the Settling Federal Agencies of their obligations under this Settlement Agreement. This covenant extends only to the Settling Federal Agencies and does not extend to any other person.

### **VIII. RESERVATIONS OF RIGHTS BY EPA**

21. EPA reserves, and this Settlement Agreement is without prejudice to, all rights against Settling Party and the Settling Federal Agencies with respect to all matters not expressly included within the Covenant for Settling Parties by EPA in Paragraph 20 and the Covenant for Settling Federal Agencies by EPA in Paragraph 20.1. Notwithstanding any other provision of this Settlement Agreement, EPA reserves all rights against Settling Parties and EPA reserves, and this Settlement Agreement is without prejudice to, all rights against the Settling Federal Agencies, with respect to:

- a. liability for failure of Settling Party or the Settling Federal Agencies to meet a requirement of this Settlement Agreement;
- b. liability for costs incurred or to be incurred by the United States that are not within the definition of Past Response Costs;
- c. liability for injunctive relief or administrative order enforcement under Section 106 of CERCLA, 42 U.S.C. § 9606;
- d. criminal liability; and
- e. liability for damages for injury to, destruction of, or loss of natural resources, and for the costs of any natural resource damage assessments.

22. Nothing in this Settlement Agreement is intended to be nor shall it be construed as a release, covenant not to sue, or compromise of any claim or cause of action, administrative or judicial, civil or criminal, past or future, in law or in equity, which the United States may have against any person, firm, corporation or other entity that is not a signatory to this Settlement Agreement.



## **IX. COVENANT NOT TO SUE BY SETTLING PARTIES**

23. Covenant Not to Sue by Settling Parties. Settling Parties covenant not to sue and agree not to assert any claims or causes of action against the United States, or its contractors or employees, with respect to the Response Costs or this Settlement Agreement, including but not limited to:

a. any direct or indirect claim for reimbursement from the EPA Hazardous Substance Superfund based on Sections 106(b)(2), 107, 111, 112, or 113 of CERCLA, 42 U.S.C. §§ 9606(b)(2), 9607, 9611, 9612, or 9613, or any other provision of law;

b. any claims arising out of the response actions at the Site for which the Response Costs were incurred, including any claim under the United States Constitution, the Constitution of the State of Mississippi, the Tucker Act, 28 U.S.C. § 1491, the Equal Access to Justice Act, 28 U.S.C. § 2412, as amended, or at common law; and

c. any claim against the United States pursuant to Sections 107 and 113 of CERCLA, 42 U.S.C. §§ 9607 and 9613, relating to Response Costs.

24. Nothing in this Settlement Agreement shall be deemed to constitute approval or preauthorization of a claim within the meaning of Section 111 of CERCLA, 42 U.S.C. § 9611, or 40 C.F.R. § 300.700(d).

25. Settling Parties agree not to assert any claims and to waive all claims or causes of action that they may have for all matters relating to the Site, including for contribution, against any person where the person's liability to Settling Parties with respect to the Site is based solely on having arranged for disposal or treatment, or for transport for disposal or treatment, of hazardous substances at the Site, or having accepted for transport for disposal or treatment of hazardous substances at the Site, if all or part of the disposal, treatment, or transport occurred before April 1, 2001, and the total amount of material containing hazardous substances contributed by such person to the Site was less than 110 gallons of liquid materials or 200 pounds of solid materials

26. The waiver in Paragraph 25 shall not apply with respect to any defense, claim, or cause of action that a Settling Party may have against any person meeting the above criteria if such person asserts a claim or cause of action relating to the Site against such Settling Party. This waiver also shall not apply to any claim or cause of action against any person meeting the above criteria if EPA determines:

a. that such person has failed to comply with any EPA requests for information or administrative subpoenas issued pursuant to Section 104(e) or 122(e) of CERCLA, 42 U.S.C. §§ 9604(e) or 9622(e), or Section 3007 of the Solid Waste Disposal Act (also known as the Resource Conservation and Recovery Act or "RCRA"), 42 U.S.C. § 6972, or has impeded or is

impeding, through action or inaction, the performance of a response action or natural resource restoration with respect to the Site, or has been convicted of a criminal violation for the conduct to which this waiver would apply and that conviction has not been vitiated on appeal or otherwise; or

b. that the materials containing hazardous substances contributed to the Site by such person have contributed significantly, or could contribute significantly, either individually or in the aggregate, to the cost of response action or natural resource restoration at the Site.

#### **X. EFFECT OF SETTLEMENT/CONTRIBUTION**

27. The Parties agree that this Settlement Agreement constitutes an administrative settlement for purposes of Section 113(f)(2) of CERCLA, 42 U.S.C. § 9613(f)(2), and that the Settling Parties and Settling Federal Agencies are entitled, as of the Effective Date, to protection from contribution actions or claims as provided by Sections 113(f)(2) and 122(h)(4) of CERCLA, 42 U.S.C. §§ 9613(f)(2) and 9622(h)(4), for "matters addressed" in this Settlement Agreement. The "matters addressed" in this Settlement Agreement are the Response Costs.

28. Except as provided in Section IX (Covenant Not to Sue by Settling Parties), nothing in this Settlement Agreement precludes the United States or the Settling Parties from asserting any claims, causes of action, or demands against any person not a Party to this Settlement Agreement for indemnification, contribution, or cost recovery. Nothing herein diminishes the right of the United States, pursuant to Sections 113(f)(2) and (3) of CERCLA, 42 U.S.C. § 9613(f)(2)-(3), to pursue any such persons to obtain additional recovery of Response Costs or any response action, and to enter into settlements that provide contribution protection to such persons.

29. Except as provided in Paragraph 25 (Non-Exempt De Micromis Waiver), nothing in this Agreement shall be construed to create any rights in, or grant any cause of action to, any person not a Party to this Agreement. Except as provided in Paragraph 25 (Non-Exempt De Micromis Waiver), the Parties expressly reserve any and all rights (including, but not limited to, any right to contribution), defenses, claims, demands, and causes of action that they may have with respect to any matter, transaction, or occurrence relating in any way to the Site against any person not a Party hereto.

30. The Settling Parties agree that with respect to any suit or claim for contribution brought by them for matters related to this Settlement Agreement, they will notify EPA in writing no later than 60 days prior to the initiation of such suit or claim. The Settling Parties also agree that, with respect to any suit or claim for contribution brought against them for matters related to this Settlement Agreement, they will notify EPA in writing within 10 days of service of the complaint or claim on them. In addition, the Settling Parties shall notify EPA within 10 days of service or receipt of any Motion for Summary Judgment and within 10 days of receipt of any

Settlement Agreement from a court setting a case for trial, for matters related to this Settlement Agreement.

31. In any subsequent administrative or judicial proceeding initiated by EPA, or by the United States on behalf of EPA, for injunctive relief, recovery of response costs, or other relief relating to the Site, the Settling Parties shall not assert, and may not maintain, any defense or claim based upon the principles of waiver, *res judicata*, collateral estoppel, issue preclusion, claim-splitting, or other defenses based on any contention that the claims raised in the subsequent proceeding were or should have been resolved through this Settlement Agreement; provided, however, that nothing in this Paragraph affects the enforceability of the Covenants by EPA set forth in Section VII.

## **XI. ACCESS TO INFORMATION**

32. Settling Parties shall provide to EPA, on request, copies of all documents and information within their possession or control or that of their contractors or agents relating to activities at the Site or to the implementation of this Settlement Agreement, including, but not limited to, sampling, analysis, chain of custody records, manifests, trucking logs, receipts, reports, sample traffic routing, correspondence, or other documents or information related to the response action. Settling Parties also shall make available to EPA, for purposes of investigation, information gathering, or testimony, its employees, agents, or representatives with knowledge of relevant facts concerning the performance of the response action.

33. Settling Parties may assert business confidentiality claims covering part or all of the document or information submitted to EPA under this Settlement Agreement to the extent permitted by and in accordance with Section 104(e)(7) of CERCLA, 42 U.S.C. § 9604(e)(7), and 40 C.F.R. § 2.203(b). Documents or information determined to be confidential by EPA will be afforded the protection specified in 40 C.F.R. Part 2, Subpart B. If no claim of confidentiality accompanies documents or information when they are submitted to EPA, or if EPA has notified Settling Parties that the documents or information are not confidential under the standards of Section 104(e)(7) of CERCLA, 42 U.S.C. § 9604(e)(7), or 40 C.F.R. Part 2, Subpart B, the public may be given access to such documents or information without further notice to Settling Parties.

34. Settling Parties may assert that certain documents, records and other information are privileged under the attorney-client privilege or any other privilege recognized by federal law. If any Settling Party asserts such a privilege in lieu of providing documents, it shall provide EPA with the following: 1) the title of the document, record, or information; 2) the date of the document, record, or information; 3) the name and title of the author of the document, record, or information; 4) the name and title of each addressee and recipient; 5) a description of the contents of the document, record, or information; and 6) the privilege asserted by the Settling Party. However, no documents, reports or other information created or generated pursuant to the requirements of this Settlement Agreement shall be withheld on the grounds that they are

privileged.

35. No claim of confidentiality shall be made with respect to any data, including, but not limited to, all sampling, analytical, monitoring, hydrogeologic, scientific, chemical, or engineering data, or any other documents or information evidencing conditions at or around the Site.

## **XII. RECORD RETENTION**

36. Until five (5) years after the Effective Date, each Settling Party shall preserve and retain all non-identical copies of records and documents (including records or documents in electronic form) now in its possession or control or which come into its possession or control that relate in any manner to the performance of the response action or the liability of any person under CERCLA with respect to the Site, regardless of any corporate retention policy to the contrary. Settling Parties also shall instruct their contractors and agents to preserve all documents, records, and information of whatever kind, nature or description relating to performance of the response action consistent with this Paragraph.

37. At the conclusion of this document retention period, Settling Parties shall notify EPA at least 90 days prior to the destruction of any such records or documents, and, on request by EPA, Settling Parties shall deliver any such records or documents to EPA.

38. Each Settling Party hereby certifies that to the best of its knowledge and belief, after thorough inquiry, it has not altered, mutilated, discarded, destroyed or otherwise disposed of any records, documents or other information (other than identical copies) relating to its potential liability regarding the Site since notification of potential liability by EPA or the state of Mississippi and that it has fully complied with any and all EPA requests for information pursuant to Sections 104(e) and 122(e) of CERCLA, 42 U.S.C. §§ 9604(e) and 9622(e), and Section 3007 of RCRA, 42 U.S.C. § 6927.

39. The United States acknowledges that each Federal PRP: 1) is subject to all applicable Federal record retention laws, regulations, and policies; and 2) has fully complied with any and all EPA requests for information pursuant to Sections 104(e) and 122(e) of CERCLA, 42 U.S.C. §§ 9604(e) and 9622(e), and Section 3007 of RCRA, 42 U.S.C. § 6927.

### **XIII. NOTICES AND SUBMISSIONS**

40. Whenever, under the terms of this Settlement Agreement, notice is required to be given or a document is required to be sent by one Party to another, such notice shall be directed to the individuals at the addresses specified below, unless those individuals or their successors give notice of a change to the other Parties in writing. Excepting additional notices as may be required in Paragraph 15, written notice as specified herein shall constitute complete satisfaction of any written notice requirement of this Settlement Agreement with respect to EPA and the Settling Parties.

**As to EPA:**

Suzanne Rubini  
Chief, Office of CERCLA Legal Support  
U.S. EPA, Region IV  
61 Forsyth Street  
Atlanta, GA 30303

**As to Settling Federal Agencies:**

Attn: DJ# 90-11-6-17440  
Chief  
Environmental Defense Section  
Department of Justice  
P.O. Box 23986  
Washington, D.C. 20026-3986

**As to the Settling Parties:**

Bob Mihalovich  
Superfund and Property Management Business Unit  
Chevron Environmental Management Company  
6001 Bollinger Canyon Road, Building K2072  
P.O. Box 6012  
San Ramon, CA, 94583-0712  
Voice: 925-842-1341  
Fax: 925-842-0213  
Email: rmihalovich@chevron.com

#### **XIV. INTEGRATION**

41. This Settlement Agreement constitutes the final, complete and exclusive Administrative Settlement Agreement and Order on Consent and understanding among the Parties with respect to the settlement embodied in this Settlement Agreement. The Parties acknowledge that there are no representations, agreements or understandings relating to the settlement other than those expressly contained in this Settlement Agreement.

#### **XV. PUBLIC COMMENT**

42. This Settlement Agreement shall be subject to a public comment period of not less than 30 days pursuant to Section 122(i) of CERCLA, 42 U.S.C. § 9622(i). In accordance with Section 122(i) (3) of CERCLA, EPA may modify or withdraw its consent to this Settlement Agreement if comments received disclose facts or considerations that indicate that this Settlement Agreement is inappropriate, improper or inadequate.

#### **XVI. EFFECTIVE DATE**

43. The effective date of this Settlement Agreement shall be the date on which EPA issues written notice that the public comment period pursuant to Section XV has closed and that comments received, if any, do not require modification of, or EPA withdrawal from, this Settlement Agreement.

#### **XVII. ATTORNEY GENERAL APPROVAL**

44. The United States Attorney General or his designee has approved the settlement embodied in this Settlement Agreement in accordance with Section 122(h)(1) of CERCLA, 42 U.S.C. § 9622(h)(1).

Each undersigned representative of the Parties is authorized to enter into the terms and conditions of this Settlement Agreement and to bind the Parties to this document.

[Signatures on subsequent pages.]

It is so ORDERED and Agreed this 8 day of September 2006.

BY: Rosalind Brown

DATE: 9-8-06

Rosalind Brown  
Chief, Superfund Enforcement and Information Management Branch  
U.S. Environmental Protection Agency, Region 4

[Settling Parties' signatures on subsequent pages.]

DSI TECHNICAL GROUP MEMBER COMPANIES

Date: 11/14/05 By: Robert R. John  
Robert R. John  
Chevron Environmental Management Co Representative for Chevron USA, Inc  
6001 Bollinger Cyn. Rd. Bldg K  
San Ramon, CA 94583

Date: \_\_\_\_\_ By: \_\_\_\_\_  
Representative for Northrop Grumman Corp.  
On behalf of Ingalls Shipbuilding, Inc.

Date: \_\_\_\_\_ By: \_\_\_\_\_  
Representative of Newpark Resources, Inc.

Date: \_\_\_\_\_ By: \_\_\_\_\_  
Representative of Shell Oil Company

Date: 11/14/05 By: Robert R. John  
Robert R. John  
Chevron Environmental Management Co Representative of Texaco, Inc.  
6001 Bollinger Cyn. Rd. Bldg K  
San Ramon, CA 94583



Date: OCTOBER 26, 2005

Robert J. Ariatti  
Ingalls Ship Systems  
Northrop Grumman Corporation  
1000 Access Rd  
Pascagoula, MS 39567

By: 

Representative for Northrop Grumman Ship  
Systems, Inc. (formerly Ingalls Shipbuilding, Inc.)

Date: \_\_\_\_\_

By: \_\_\_\_\_

Representative of Newport Resources, Inc.

Date: \_\_\_\_\_

By: \_\_\_\_\_

Representative of Shell Oil Company

Date: \_\_\_\_\_

By: \_\_\_\_\_

Representative of Texaco Inc.

**EXHIBIT A**

**MEMBERS OF THE  
DSI TECHNICAL GROUP**

DSI TECHNICAL GROUP MEMBER  
COMPANIES

Date: \_\_\_\_\_ By: \_\_\_\_\_  
Representative of Chevron U.S.A. Inc.

Date: \_\_\_\_\_ By: \_\_\_\_\_  
Representative for Northrop Grumman Corp.  
On behalf of Ingalls Shipbuilding, Inc.

Date: \_\_\_\_\_ By: \_\_\_\_\_  
Representative of Newpark Resources, Inc.

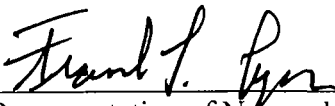
Date: 11/18/2005 By: B. K. Garrison  
Shell Exploration & Production Company Representative of Shell Oil Company  
P O BOX 61933 New Orleans, LA 70161  
701 Poydras, New Orleans, LA 70139, R-2036  
**B. K. Garrison**  
**Attorney-in-Fact**

Date: \_\_\_\_\_ By: \_\_\_\_\_  
Representative of Texaco Inc.

DSI TECHNICAL GROUP MEMBER  
COMPANIES

Date: \_\_\_\_\_ By: \_\_\_\_\_  
Representative of Chevron U.S.A. Inc.

Date: \_\_\_\_\_ By: \_\_\_\_\_  
Representative for Northrop Grumman Corp.  
On behalf of Ingalls Shipbuilding, Inc.


Date: October 26, 2005 By:   
Newpark Resources, Inc.  
3850 N. Causeway Blvd., Suite 1770  
Metairie, LA 70002-1752  
Representative of Newpark Resources, Inc.  
Frank L. Lyon  
Vice President Technical Services

Date: \_\_\_\_\_ By: \_\_\_\_\_  
Representative of Shell Oil Company

Date: \_\_\_\_\_ By: \_\_\_\_\_  
Representative of Texaco Inc.

FOR UNITED STATES POSTAL SERVICE:

Gary W. Bigelow  
United States Postal Service  
4200 Wake Forest Rd.  
Raleigh, NC 27688-9000

By:   
Gary W. Bigelow

Feb. 23, 2006  
[Date]

FOR UNITED STATES COAST GUARD:

Tom Hayes  
Chief, Office of Environmental Law

\_\_\_\_\_  
[Name]  
COMMANDANT (G-LEL)  
U.S. COAST GUARD  
2100 SECOND STREET SW  
ROOM 1108  
WASHINGTON, DC 20593-0001

\_\_\_\_\_  
[Address]

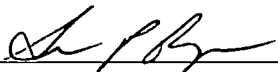
By: Thomas M Hayes  
[Name]

1 Dec 05  
[Date]

FOR UNITED STATES NAVY:

Susan P. Raps  
Associate General Counsel (Litigation)  
[Name]

720 Kennon Street, S.E.  
WNY Building 36; Room 233  
Washington, DC 20374-5013  
[Address]

By:   
[Name]

1/4/06  
[Date]

**Appendix A**

**LIST OF SETTLING PARTIES TO SETTLEMENT AGREEMENT** \_\_\_\_\_

DSI Technical Group consisting of:

Chevron U.S.A., Inc.  
Ingalls Shipbuilding, Inc.  
Newpark Resources, Inc.  
Shell Oil Company  
Texaco, Inc.

**LIST OF SETTLING FEDERAL AGENCIES TO SETTLEMENT AGREEMENT**

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United States Navy  
United States Coast Guard  
United States Postal Service

**Appendix B**

**SETTLING PARTIES' PAYMENTS DUE IN RESPONSE TO SETTLEMENT  
AGREEMENT \_\_\_\_\_**

DSI Technical Group: \$9,000

Paid on behalf of:

Chevron U.S.A., Inc.

Ingalls Shipbuilding, Inc.

Newpark Resources, Inc.

Shell Oil Company

Texaco, Inc.

**SETTLING FEDERAL AGENCIES' PAYMENT DUE IN RESPONSE TO  
SETTLEMENT AGREEMENT \_\_\_\_\_**

United States of America: \$97.01

Paid on behalf of:

United States Navy

United States Coast Guard

United States Postal Service: \$7.94