

**COOPERATIVE AGREEMENT FOR SITE INVESTIGATION
AND REMEDIATION**

**BETWEEN
THE STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY**

AND

THE MARINE SHALE PROCESSORS SITE PRP GROUP

IN THE MATTER OF

THE MARINE SHALE PROCESSORS SITE

AI #5414

I. PARTIES

The Louisiana Department of Environmental Quality (hereinafter "LDEQ"), and the Marine Shale Processors Site PRP Group (hereinafter "MSP PRP Group", consisting of those companies listed on the attached Appendix "A" and which executed this Agreement by the signature of their duly authorized and empowered agents) agree to the terms and conditions of this Agreement.

II. AUTHORITY

This Agreement is entered into pursuant to the authority vested in LDEQ under provisions of the Louisiana Environmental Quality Act, La. R.S. 30:2001, *et seq.* The activities conducted pursuant to this Agreement are subject to acceptance by LDEQ.

III. OBJECTIVES

In entering into this Agreement, the mutual objectives of the LDEQ and the MSP PRP Group are to:

- (1) complete an environmental investigation of the Site;
- (2) determine the appropriate Remedial Standard(s) and Management Option(s) under the requirements found in the Louisiana Administrative Code ("LAC")

- 33:1, Chapter 13, the Risk Evaluation/Corrective Action Program (hereinafter RECAP); and
- (3) complete a Corrective Action Study to determine the appropriate remedial actions for the Site.

IV. SITE LOCATION

The Site consists of approximately 48 acres and is located at 9828 Louisiana Highway 182 East approximately 1.5 miles west of Amelia, St. Mary Parish, Louisiana. The Site is bordered by Louisiana Highway 90 to the north, industrial properties to the northwest and to the southeast, and Bayou Boeuf to the southwest. The entrance to the Site is latitude 29°39'45" North and longitude 91°07'42" West.

V. SITE BACKGROUND

The Site was initially developed and used by Pelican State Lime to manufacture hydrated and "quick" lime using large, rotary lime kilns. Marine Shale Processors, Inc. (hereinafter "MSP") purchased the facility in 1984 and converted it into a waste processing and treatment facility. MSP initially used the primary rotary lime kiln as an incinerator for non-hazardous oil field wastes. In 1985, MSP began to incinerate hazardous wastes, including a wide variety of organic and inorganic hazardous substances. The hazardous wastes were reduced to an ash which was further processed in oxidizers. MSP used some of this ash to build up and expand the foundation of the Site and stored some of it on the ground, in tanks, and in barges. MSP claimed that its facility was a boiler/industrial furnace facility (hereinafter "BIF") used to recycle incinerated waste residues into construction aggregate. The US Environmental Protection Agency (hereinafter "EPA") disagreed and MSP's BIF permit was denied.

MSP ceased operating the facility in 1996 but left behind storage tanks and bins containing incinerated waste residues and untreated waste, on-site stockpiles of incinerated waste and untreated waste, and fill material composed of incinerated waste material. The State of Louisiana and the United States Department of Justice (hereinafter "DOJ") instituted a civil action to recover response costs. DOJ submitted an expert report providing the following opinions: (1) chemical analysis of the incinerated fill material indicated elevated levels of arsenic and lead; (2) there are two small areas of groundwater contamination containing pentachlorophenol, arsenic, lead, and selenium, one of which is under the concrete pad where wood treatment waste was stored; and (3) unprocessed wastes contain elevated levels of lead, cadmium, other metals, semi-volatile organic compounds, pesticides, and polynuclear aromatic hydrocarbons. Pursuant to a settlement with MSP and Recycling Park Inc., \$7,075,995.00 was deposited into an Escrow Account. A Memorandum of Understanding between DOJ, United States Environmental Protection Agency, Region VI, and LDEQ for the Marine Shale Processors Site, effective March 28, 2008, a copy of which is attached for reference as Appendix B (hereinafter "MOU"), dictates how the funds in the Escrow Account can be spent and on what removal/remedial activities according to priority. LDEQ issued a Phase I work contract to Weston Solutions, Inc. to treat and remove primary ash from thirteen (13) above ground storage tanks that were determined to be in

deteriorating condition and severely corroded. Funds from the Escrow Account were used to fund this work. LDEQ has not contracted for any subsequent work at the Site to be funded from the Escrow Account.

VI. WORK TO BE PERFORMED

It is hereby AGREED that the MSP PRP Group shall perform the following work:

- 1) Prepare and submit a Remedial Investigation Work Plan, meeting the requirements of LAC 33:VI.507.C.1 and Section IX below, for LDEQ review and approval within seventy-five (75) calendar days from the date of this agreement. The MSP PRP Group may utilize all sampling data previously collected at the Site by LDEQ and/or EPA and consultants retained by LDEQ and/or EPA, in accordance with RECAP §2.5.
- 2) Begin implementation of the Remedial Investigation Work Plan within sixty (60) calendar days of receiving LDEQ approval and implement the Remedial Investigation Work Plan in accordance with the approved activity schedule.
- 3) Submit a Remedial Investigation Report meeting the requirements of LAC 33:VI.507.C.4 and Section IX below, for LDEQ approval within ninety (90) calendar days of the completion of all site work required by the approved Remedial Investigation Work Plan and receipt of final laboratory analytical data. However, in the event an area of investigation ("AOI") is to be managed under RECAP Management Option 3 ("MO-3"), then the MSP PRP Group shall have forty-five (45) additional calendar days to submit the Remedial Investigation Report.
- 4) Within ninety (90) calendar days of the LDEQ approval of the Remedial Investigation Report, the MSP PRP Group shall submit a Corrective Action Study ("CAS") meeting the requirements of LAC 33:VI.509 and Section IX, to identify and screen appropriate potential remedial alternatives for the Site AOI(s). The CAS shall demonstrate that one or more remedial alternatives will meet the RECAP Standard(s) for each AOI. Alternatively, the CAS may demonstrate that compliance with the RECAP Standard(s) is technically infeasible and may propose alternative remediation standard(s) as provided for in RECAP. The development and evaluation of alternatives shall reflect the full scope and complexity of the AOI(s) and the Site.
- 5) The Work described in Section VI. 1-4, above shall be performed by the MSP PRP Group at its own expense, subject to the reservation of rights set forth in Section XXII.
- 6) a. During the performance of Work under Section VI. 1-4 above, the MSP PRP Group will review whether interim remedial measures to

address site conditions which pose an immediate short-term threat to human health or safety or sensitive environmental receptors are appropriate. In the event that the MSP PRP Group and LDEQ agree that interim measures are warranted, the MSP PRP Group will submit to LDEQ an Interim Remedial Measures Project Plan and cost estimate for LDEQ review and approval.

- b. Upon approval by LDEQ of an Interim Remedial Measures Project Plan, the MSP PRP Group shall begin implementation of this plan and implement the plan in accordance with the approved activity schedule.
- c. To the extent that the approved Interim Remedial Measures Project Plan sets forth removal and/or remedial work consistent with Section III.C. of the MOU, the MSP PRP Group shall be reimbursed for the cost of such work from the MSP Escrow Account described in the MOU.
- d. Upon completion by the MSP PRP Group of any LDEQ approved Interim Remedial Measures Project Plan, the MSP PRP Group shall submit an Interim Remedial Measures Project Report to LDEQ for its review and approval. Within thirty (30) days of the approval by LDEQ of the Interim Remedial Measures Project Report, the MSP PRP Group shall be reimbursed from the MSP Escrow account described in the MOU for the documented costs of the LDEQ approved Interim Remedial Measures Project Plan performed by the MSP PRP Group by check made payable to:

MSP PRP Group
c/o Leonard L. Kilgore, III
Common Counsel for the MSP PRP Group
P.O. Box 3513
Baton Rouge, LA 70821

- 7) This Agreement does not address the preparation of a Remedial Project Plan for the final Corrective Action selected for the Site nor for the implementation of such Corrective Action, all parties reserving their rights, claims, and defenses regarding such work.
- 8) The MSP PRP Group shall submit two hard copies and one electronic copy of each plan, report, and other documents submitted to LDEQ pursuant to this Agreement.

VII. QUALIFIED PROFESSIONALS

All work performed pursuant to this Agreement shall be under the direction and supervision of a qualified professional with expertise in environmental site investigation, risk evaluation and/or remediation. Prior to the initiation of work under this Agreement, the MSP PRP Group shall notify LDEQ in writing regarding the name, title, and qualifications of such

professionals and any contractors and/or principal subcontractors to be used in carrying out the terms of this Agreement.

VIII. DESIGNATED PROJECT MANAGERS

Within fifteen (15) calendar days after the effective date of this Agreement, LDEQ and the MSP PRP Group shall each designate a Project Manager ("PM"). Each party will notify the other in writing if it changes its PM. Each Project Manager shall be responsible for overseeing the implementation of this Agreement. To the maximum extent possible, communications between the MSP PRP Group and LDEQ and all documents, including work plans, reports, and correspondence, shall be directed through the Project Managers, as appropriate.

The responsibility of the LDEQ PM or his representative will be to observe and review all aspects of the work of the remediation contractor to ensure that all work is performed in accordance with the Work Plan(s), this Cooperative Agreement, the Louisiana Environmental Quality Act, RECAP, and all applicable regulations.

The LDEQ Secretary or his designee shall have the authority to halt, conduct or direct any tasks required by this Agreement and/or any response actions or portions thereof when conditions present an immediate risk to public health or welfare or the environment. To the maximum extent feasible, LDEQ shall allow the MSP PRP Group to take any response action required pursuant to this clause.

The absence of the Project Managers from the Site shall not be cause for the stoppage of work.

IX. MINIMUM REQUIREMENTS FOR WORK PLAN(S)

A. The Remedial Investigation Work Plan(s) shall include all aspects of the project including sampling and analysis and Site health and safety. **Standard operating procedures should be referenced and not duplicated in the Work Plan(s).** The Work Plan(s) shall provide:

- 1) a Site background summary; a scope and description of the project; objectives and end products;
- 2) the most current RECAP Conceptual Site Model approved by or to be approved by LDEQ;
- 3) an outline of the overall technical approach and details on methodology;
- 4) corresponding personnel requirements, proposed contractors, and an organizational chart;
- 5) project/activity schedule(s) and milestone chart;
- 6) a schedule of deliverables/ submittals and their due dates;
- 7) a description of the Site including land use, geology, hydrology, hydrogeology and groundwater use at and in the vicinity of the Site;
- 8) a description of the activities to be conducted during the investigation. All sample points, preliminary Constituents of Concern, proposed analytical

methods, and required quantitation limits shall be identified. The laboratory contracted to analyze samples required by this Agreement and all work plans pursuant to this Agreement shall be accredited as required by the Louisiana Administrative Code 33:I, Subpart 3;

- 9) a Sampling and Analysis Subplan that includes all sampling required to characterize the surface soil, subsurface soil, surface water, and groundwater as required by the RECAP Conceptual Site Model, and a Quality Assurance/Quality Control (QA/QC) Plan, as described in Section XI of this Agreement;
- 10) a preliminary Conceptual Site Model (CSM) using existing Site data. All data used in the development of the CSM must meet the standards for such use as required by RECAP. The CSM shall identify the known, potential or suspected constituent source(s), routes of constituent migration, exposure media, exposure points and pathways, receptors, and source media to be evaluated under RECAP and shall be revised as new data of appropriate quality is developed during the site investigation;
- 11) a Health and Safety Subplan; and
- 12) any and all other requirements of this Agreement.

The preliminary Conceptual Site Model (CSM) shall be utilized to direct sampling efforts to ensure that all potential exposure areas and migration pathways are adequately characterized at each AOI.

The site investigation efforts at each AOI shall include, but not be limited to:

- 1) identification of the source of the release;
- 2) characterization of all environmental media suspected of being affected;
- 3) identification of the constituents present and their respective concentrations;
- 4) identification of the horizontal and vertical extent of the effects;
- 5) identification and characterization of migration pathways and receiving media;
- 6) characterization of current or potential off-site impacts; and
- 7) collection of data for modeling input (if required).

A sufficient number of sample locations shall be selected to adequately identify and characterize all affected media at the Site. The vertical and horizontal extent of impact shall be defined at each Area of Investigation (AOI) at the Site. The number of sample locations shall be determined based on LDEQ discretion and/or SW-846 chapter 9 and USEPA Data Quality Objectives for risk-based programs. The number and locations of samples shall be properly justified. Sample locations shall be based on site size, site geology and hydrology, site topography, migration pathways, points of exposure, and knowledge of sources, or potential sources of release(s). If this information is unavailable or inconclusive, a grid system may be proposed. Sample parameters may be based on site history and constituents expected to be present, if justified. Source areas as well as areas of constituent migration shall be sampled.

Samples shall be collected to characterize the soil at the Site for environmental fate and transport analyses. Soil characteristics that shall be required include, but may not be limited

to: soil type, dry bulk density, soil organic carbon, total porosity, volumetric water content, hydraulic conductivity, grain size, and soil pH.

Additional AOI evaluation and/or investigation shall be required by this Agreement when:

- 1) analytical results indicate that the vertical and horizontal extent of the impact has not been delineated in accordance with RECAP Appendix B;
- 2) a constituent concentration above the RECAP Screening Standard is expected to affect receptors or media that were not evaluated in the Conceptual Site Model;
- 3) when it has not been demonstrated that the constituent concentrations decrease with distance from a sampling location both horizontally and vertically; or
- 4) an MO-3 evaluation is necessary, in which case the MSP PRP Group shall submit an MO-3 workplan in accordance with RECAP §6.

If an immiscible layer of nonaqueous phase liquid ("NAPL") is encountered during sampling, the layer shall be sampled and analyzed to assist in the identification of the release source. The thickness of immiscible layers shall be measured.

B. Remedial Investigation Report. This report shall describe all methods and procedures used during the investigation, as well as any problems encountered during implementation of the Remedial Investigation Work Plan. Also to be included in this report are the validated analytical results from all media samples, and any air monitoring data obtained at the Site during the investigation(s). This report shall rank each AOI identified by the investigation as required by RECAP and include a discussion on the site-specific factors and criteria used to select the ranking. Recommendations for interim remedial measures shall be included for any AOI with a ranking of one (1) or two (2).

Submittals required by RECAP for the Screening Option, Management Option 1 and/or Management Option 2 shall be included in the Remedial Investigation Report.

Constituents of concern, source concentrations, exposure concentrations, and groundwater classification shall be identified at each AOI. Screening Options(s), Management Option(s), and Remedial Standards chosen for each AOI shall be identified and justified in comport with RECAP.

The most current RECAP Conceptual Site Model shall be used to (1) identify exposure and source media, and current and future environmental transport pathways, and current and future exposure points and exposure pathways; (2) determine if the AOI(s) meet the criteria for management under the Screening Option, Management Option (MO)-1, and/or MO-2; verify that the Screening Standard (SS), MO-1 Remediation Standard (RS) and/or MO-2 RS are appropriate for application at each AOI; and identify data gaps.

The Remedial Investigation Report shall present the results of the analyses in an organized and logical manner so that the relationships between results and sampling locations are apparent. This report will include a summary that describes the quantities and concentrations of the specific contaminant(s). Sample analytical data gathered during the implementation of the Site investigation shall be delivered to LDEQ in electronic format with the sample data groups organized in USEPA format.

The Remedial Investigation Report shall include a completed Ecological Checklist as found in RECAP Appendix C, Form 18 for each AOI to determine if a screening level ecological risk assessment is warranted.

For each AOI to be managed under RECAP MO-3, the MSP PRP Group shall develop the Remediation standard(s) for LDEQ approval. This submittal shall meet all requirements of Section 6.9 of RECAP.

C. The Corrective Action Study (CAS) Report shall identify the appropriate RECAP Standard(s) and potential remedial alternative(s) for the AOI(s). The CAS Report shall provide a comparison and evaluation of the potential remedial alternatives based on (1) the effectiveness in achieving the RECAP Standard; (2) the ability to technically and administratively implement the alternatives; (3) the relative cost of implementing the alternatives; (4) the ability to comply with all state and federal applicable, relevant, and appropriate requirements; and (5) the performance of treatability studies. Remedial alternatives identified and evaluated in the CAS Report shall include a no further action alternative and at least two treatment-based alternatives that will meet the RECAP Standard for each AOI. Alternatively, the MSP PRP Group may demonstrate that compliance with the RECAP Standard is technically infeasible and may propose an alternative RECAP Standard for LDEQ review and approval.

If natural resources will be or may be injured by the release of hazardous substances, steps shall be taken by the MSP PRP Group, as directed by LDEQ, to ensure that state and federal trustees of the affected natural resources are notified. Any required assessments, investigations, and/or plans shall be coordinated with the appropriate state and federal trustees.

D. Any Interim Remedial Measures Project Plan which may be submitted under Section VI. 6 shall identify and design the remedy to be implemented. The work plan shall include all tasks, specifications, and subplans necessary for the implementation of the remedial design, including construction and operation of the final remedy. The minimum requirements of the plan include:

- 1) A work plan, including:
 - a) A general description of the work to be performed and a summary of the engineering design criteria;
 - b) Maps showing the general location of the Site and the existing conditions of the facility;
 - c) Detailed plans and procedural and material specifications necessary for the construction of the remedy;
 - d) Specific quality control tests to be performed to document the construction of the remedy, including:
 - i) Specifications for the testing or reference to specific testing methods;
 - ii) Frequency of testing; and
 - iii) Results of testing.
- 2) A sampling and analysis plan; and

3) A project implementation schedule.

E. The sampling and analysis portion of all Work Plan(s) shall specify all activities necessary to obtain all data to adequately characterize the surface and subsurface at the Site. The Work Plan(s) shall clearly state sampling objectives and their relevance to the Conceptual Site Model; necessary equipment; sample types, locations, and frequency; analyses of interest; and a schedule stating when events will take place and when deliverables will be submitted to LDEQ.

The sampling and analysis portion of all Work Plan(s) shall also contain a discussion on quality assurance. The Work Plan(s) shall, as a minimum, contain the following:

- A project description;
- An organization chart illustrating the lines of responsibility of the personnel involved in the sampling;
- Quality assurance objectives for data such as the required precision and accuracy, completeness of data, representativeness of data, comparability of data, and the intended use of collected data;
- Sample custody procedures during sample collection, in the laboratory (as applicable), and as part of the final evidence files;
- The type and frequency of calibration procedures for field instruments and laboratory instruments (as applicable), internal quality control checks, and quality assurance performance audits and system audits;
- Preventative maintenance procedures, schedules and corrective action procedures for field instruments and laboratory instruments (as applicable);
- Data management and tracking procedures; and,
- Data validation procedures in accordance with Section XI.

F. The Work Plan(s) shall address site health and safety, delineating all necessary precautions for the safety of personnel, and shall address the necessary protection to prevent damage, injury or loss to personnel involved in site activities and the surrounding community during the implementation of all Site work under the approved Work Plans. This portion of the Work Plan(s) must provide a Site background discussion and describe personnel responsibilities, protective equipment, health and safety procedures and protocols, decontamination procedures, personnel training, and type and extent of medical surveillance. This portion must identify problems or hazards that may be encountered and how they are to be addressed. Procedures for protecting third parties, such as visitors or the surrounding community, must also be provided.

X. LDEQ COMMENTING ON SUBMITTED DOCUMENTS

LDEQ shall review and provide written comments on the Work Plan(s) and reports (except progress reports) prepared by the MSP PRP Group within within forty-five (45) days of receipt of plans and reports. LDEQ shall notify the MSP PRP Group in writing of LDEQ's comments on these documents or any part thereof. Within sixty (60) calendar days of receipt of such comments, the MSP PRP Group shall either amend and submit to LDEQ the revised Work Plan(s)/reports or notify LDEQ in writing of the reasons for not adopting LDEQ's revisions. In the event that LDEQ is not satisfied that the revisions are responsive to the LDEQ comments, LDEQ may either elaborate on the comments or issue a notice of nonacceptance. If the MSP PRP Group objects to a notice of nonacceptance, it may invoke dispute resolution pursuant to Section XX (Dispute Resolution).

The time periods for action provided in Section VI, this section, and Section XV may be extended by mutual written consent of the LDEQ and the MSP PRP Group.

XI. QA/QC AND DATA VALIDATION/EVALUATION

Analytical results shall not be accepted at face value. Limitations and uncertainties associated with the data shall be identified so that only data that are appropriate and reliable for use in quantitative risk assessment are carried through the RECAP process. Data shall be reviewed to identify reliable, accurate, and verifiable numbers that can be used to quantitate risks. Specifically, the data shall be evaluated to assess the effect of Quality Control issues on data usability. **All data submitted must be generated by an accredited laboratory in accordance with LAC 33: I. Chapters 45-47, Laboratory Accreditation. The laboratory shall be accredited in those parameters for the applicable test categories.**

All data shall be evaluated with respect to analytical method, sample quantitation limits, data qualifiers and codes, and blank sample results. Based on this evaluation, the MSP PRP Group shall make recommendations in the data evaluation section of the Remedial Investigation Report and in any RECAP required risk assessment report concerning the usability of the data for risk assessment purposes. Data determined not to be acceptable for use in the quantitative risk assessment shall be identified and justification for the determination shall be given. General guidelines for determining the usability of data for risk assessment purposes required by RECAP in this Agreement can be obtained in *Risk Assessment Guidance for Superfund, Human Health Evaluation Manual, Volume I, Part A* (USEPA 1989) and *Guidance for Data Usability in Risk Assessment, Part A, Final* (USEPA 1992). Validation of USEPA Contract Laboratory Program (CLP) data (or data accompanied by a CLP-type deliverable) shall be conducted in accordance with the guidelines presented in *USEPA Contract Laboratory Program National Functional Guidelines for Organic Data Review* (USEPA 1993), *Laboratory Functional Guidelines for Evaluating Inorganic Analysis* (USEPA 1988), and/or *Guidance for Data Usability in Risk Assessment, Part A, Final* (USEPA 1992).

The MSP PRP Group will develop a data management system including field logs, sample management and tracking procedures, and document control and inventory procedures for both laboratory data and field measurements to ensure that the collected data is of adequate quality and quantity.

The MSP PRP Group will ensure that collected data has been validated at the appropriate field or laboratory QA/QC level to determine whether it is appropriate for its intended use. Such validation procedures shall be conducted in accordance with guidelines established by the EPA. Validation shall include procedures to assess data precision, representativeness, comparability, and accuracy and completeness of specific measurement parameters.

One copy of a summary report of all analytical data shall be submitted to the LDEQ with any investigation report. The summary report shall, at a minimum, meet the requirements of Appendix C of this Agreement. If requested, the MSP PRP Group shall provide LDEQ with a fully supported data package within twenty (20) days of the request. The fully supported data package shall, at a minimum, meet the requirements of Appendix B of this Agreement, and shall be submitted electronically in conformance with the LDEQ Electronic Data Deliverable Submittal Requirements Manual, Revision 1.0, which is attached to this agreement as Appendix D.

XII. SAMPLING/ANALYSIS, ACCESS AND DATA AVAILABILITY

The MSP PRP Group shall make available to LDEQ the results of all sampling and/or tests or other data generated by the MSP PRP Group in implementing this Agreement. The MSP PRP Group will notify LDEQ of the availability of all data within ten (10) calendar days after receipt by the MSP PRP Group. Upon written request by LDEQ, all data shall be made available for review and inspection by LDEQ within ten (10) calendar days. Upon written request by LDEQ, the MSP PRP Group shall submit any data to LDEQ within ten (10) calendar days.

It is understood by LDEQ that any non-validated data submittals may contain inaccuracies or other inappropriate analytical results because such information has not been validated. Accordingly, such non-validated data will not be incorporated into any official finding of LDEQ or report provided by the MSP PRP Group hereunder until such validation has been performed. The MSP PRP Group shall provide such validation no later than forty-five (45) calendar days following the MSP PRP Group's receipt of the non-validated data from the laboratory. If any resampling is required, the MSP PRP Group shall notify LDEQ in writing within ten (10) business days of determination that such resampling is required and shall provide a written statement of the reason(s) that resampling is required.

LDEQ shall make available to the MSP PRP Group the results of sampling and/or tests or other data generated by LDEQ.

The MSP PRP Group shall notify LDEQ not less than five (5) business days in advance of any planned sample collection activity and as soon as possible of any unplanned or emergency sample collection activity. At the request of LDEQ, the MSP PRP Group shall

allow split or duplicate samples to be taken by LDEQ and/or its authorized representatives of any samples collected by the MSP PRP Group, or on the MSP PRP Group's behalf, pursuant to the implementation of this Agreement.

LDEQ shall notify the MSP PRP Group not less than five (5) business days in advance of any planned sample collection activity and as soon as possible of any unplanned or emergency sample collection activity. At the request of the MSP PRP Group, LDEQ shall allow split or duplicate samples to be taken by the MSP PRP Group of any samples collected by LDEQ during the performance of the work associated with this Agreement.

XIII. SITE ACCESS AND DOCUMENT AVAILABILITY

LDEQ shall grant the MSP PRP Group, its contractors, agents, and representatives full and complete access to the Site to the full extent of LDEQ's rights, title and authority. The MSP PRP Group shall notify LDEQ at least three (3) business days prior to the initiation of any field work. Further, the MSP PRP Group shall grant LDEQ open access to the Site and provide LDEQ with an opportunity to observe all field work.

Any LDEQ employee or other authorized representative shall have the authority to enter and freely move about all property that comprises the Site for any purpose authorized by law, which includes but is not limited to: inspecting records, operating logs, and contracts related to the Site; reviewing the progress of the MSP PRP Group in carrying out the terms of this Agreement; conducting such tests as LDEQ or the LDEQ PM deem necessary; using camera, sound recording, or other documentary type equipment; and verifying the data submitted to LDEQ by the MSP PRP Group. When possible, LDEQ shall give the MSP PRP Group reasonable notice before entry. The MSP PRP Group shall permit LDEQ's authorized representatives, at LDEQ's cost, to inspect and copy all records, files, photographs, documents and other writings, including all sampling and monitoring data, in any way pertaining to work undertaken pursuant to this Agreement. All parties with access to the Site pursuant to this paragraph shall comply with the accepted health and safety plan. Furthermore, where such records and documents are maintained in a location other than on the Site, the MSP PRP Group shall make such records and documents available for LDEQ review, inspection and copying upon request.

If any third party access agreements are necessary for the implementation of this Agreement, the MSP PRP Group shall use its best efforts to obtain such access agreements as soon as practicable. If, despite its best efforts, the MSP PRP Group is unable to obtain a necessary third party access agreement, the MSP PRP Group shall so advise LDEQ and LDEQ agrees to assist in obtaining any said third party access agreements. Such agreements shall provide for access by LDEQ and/or its authorized representatives to the land subject to the access agreements. Failure by the MSP PRP Group to obtain access agreements, after use of such reasonable efforts, does not constitute a breach of this Agreement. Failure by the MSP PRP Group to obtain a necessary third party access agreement, after use of such reasonable efforts, shall qualify as a force majeure event pursuant to Section XXXI (FORCE MAJEURE) and the affected

work at the Site will be delayed until the appropriate third party access agreement is obtained.

XIV. CHANGING SITE CONDITIONS

If conditions at the Site materially change during performance of the work specified under this Agreement, LDEQ and/or the MSP PRP Group may determine that additional, different, or fewer tasks, such as further investigation work, engineering evaluation and technology, or remedial actions, are necessary. The party discovering such findings shall promptly notify the other party. Within thirty (30) calendar days of receipt of such notice, each party will notify the other as to whether or not the Agreement should be modified to accommodate changing site conditions. Upon written agreement of the parties hereto, this Agreement may be modified as necessary to address such changing site conditions. If the parties do not agree to the inclusion of these tasks, the parties shall proceed in accordance with Section XX (Dispute Resolution) provisions.

XV. ACTIVITY SCHEDULE

All activities shall be implemented according to a schedule agreed upon by LDEQ and the MSP PRP Group, unless a specific time is set forth by this Agreement. The schedule shall be delineated in the Work Plan(s) and shall, as a minimum, include a time line bar chart, supplemented with text to briefly describe each task and subtask. Any deadline set forth by this Agreement may be modified by agreement of the parties.

XVI. STIPULATED PENALTIES

The MSP PRP Group shall be liable to the LDEQ for failure to comply with the requirements of this Agreement, unless excused under Section XXXI (FORCE MAJEURE). If the requirements of the Agreement are subject to Dispute Resolution under Section XX, stipulated penalties shall only apply as specified below. Compliance by the MSP PRP Group shall include completion of the activities specified in this Agreement and any approved Work Plans in accordance with the Agreement and/or the Work Plan and all applicable requirements of law, within the specified time schedules established pursuant to this Agreement and/or Work Plans.

Stipulated penalties as set forth below shall accrue for noncompliance with any of the following milestones:

1. Failure to submit the Remedial Investigation Work Plan within the deadline set forth in Section VI.1;
2. Failure to implement the approved Remedial Investigation Work Plan according to the approved schedule;
3. Failure to submit the Remedial Investigation Report in accordance with the approved schedule; and
4. Failure to submit the Corrective Action Study within the deadline set forth in Section VI.4.

<u>Penalty per Violation per Day</u>	<u>Number of Days in Violation</u>
\$300	first through 30th day
\$1,500	31st and beyond

Following LDEQ's determination that the MSP PRP Group has failed to comply with a requirement of this Agreement, LDEQ shall give the MSP PRP Group written notification of the same and describe the noncompliance. In its discretion, the LDEQ may send the MSP PRP Group a written demand for the payment of applicable stipulated penalties.

All penalties shall begin to accrue on the day after the complete performance is due or the day a violation occurs, and shall continue to accrue through the final day of the correction of the noncompliance or completion of the activity or resolution of the dispute in accordance with Section XX (DISPUTE RESOLUTION); provided, however, that stipulated penalties shall be suspended during the pendency of the DISPUTE RESOLUTION process under Section XX for a period not to exceed forty (40) days. All penalties accruing under this Section shall be due and payable to the LDEQ within thirty (30) days of the MSP PRP Group's receipt from LDEQ of a demand for payment of the penalties, unless the MSP PRP Group invokes the Dispute Resolution procedures under Section XX (DISPUTE RESOLUTION). All payments to the LDEQ shall be by check made payable to "Department of Environmental Quality," and mailed or delivered to the LDEQ at the address shown in Section XIX.

The payment of penalties shall not alter in any way the MSP PRP Group's obligation to complete the performance of the Work required under this Agreement.

If the MSP PRP Group fails to pay stipulated penalties when due, the LDEQ may institute proceedings to collect the penalties and interest on the unpaid balance at the rate of 8% annually.

Notwithstanding any other provision of this Section, the LDEQ may, in its unreviewable discretion, waive any portion of stipulated penalties that may accrue or have accrued pursuant to this Agreement.

XVII. PROGRESS REPORTS

The MSP PRP Group shall provide monthly written progress reports to LDEQ according to the schedule contained in the Work Plan(s). Progress reports shall be submitted to LDEQ by the tenth (10th) calendar day of each month following the effective date of this Agreement. At a minimum, these progress reports shall describe all data gathering and planning, contain a status report on all field activities, include all results from sampling, and all other data received by the MSP PRP Group pertinent to any work performed at the Site unless such results or data were otherwise previously submitted to LDEQ. Upon agreement of the parties, the monthly report requirement may be modified or suspended.

XVIII. RECORD PRESERVATION

LDEQ and the MSP PRP Group agree that they shall preserve, despite any document retention policy to the contrary, all records and documents in their possession or in the possession of their divisions, employees, agents, or contractors that contain information about the work undertaken pursuant to this Agreement at the Site. Documents previously supplied to LDEQ, privileged documents, and electronic mail may be excluded.

One copy of these documents shall be retained during the course of implementing the work under this Agreement and for a minimum of three (3) years after this project has been completed. After this three (3) year period, upon written request of the LDEQ, the MSP PRP Group shall make available to LDEQ such records or copies of such records, except those which are attorney work-product or subject to the attorney-client privilege.

XIX. OFFICIAL ADDRESSES OF THE PARTIES

Correspondence (including acceptance letters, nonacceptance letters, etc.) and other documents to be submitted pursuant to this Agreement (including Work Plan[s] and report[s]) shall be sent to the following addresses or to such other addresses as the MSP PRP Group or LDEQ hereafter may designate in writing:

A. On behalf of the LDEQ:

Keith Casanova, Administrator
Remediation Services Division
Department of Environmental Quality
P.O. Box 4314
Baton Rouge, Louisiana 70821-4314

B. On behalf of the MSP PRP Group:

Mr. Leonard L. Kilgore, III
Kean Miller
P.O. Box 3513
Baton Rouge, LA 70821-3513
Telephone (225)387-0999
Facsimile (225)388-9133

XX. DISPUTE RESOLUTION

If The MSP PRP Group objects to any LDEQ written notice of nonacceptance or decision made pursuant to this Agreement, the MSP PRP Group shall notify LDEQ in writing of its objection within ten (10) calendar days of receipt of such notice or decision. LDEQ and the MSP PRP Group shall then have an additional thirty (30) calendar days from the receipt by LDEQ of the notification of objection to reach an agreement. If an agreement cannot be reached on any issue within this thirty (30) calendar day period (which thirty-day period may be extended by mutual written agreement of the parties), LDEQ shall provide a written statement of its decision by certified mail to the MSP PRP Group within ten (10) calendar days of the expiration of the period to reach agreement. If the MSP PRP Group objects to LDEQ's decision, it shall notify LDEQ in writing of its objections within twenty (20) calendar days after receipt of LDEQ's written statement of its decision, exclusive of date of receipt, and may request a hearing with the LDEQ Secretary or his designee. If the request for hearing is granted, the issues raised in the request shall be set for hearing before a hearing officer. The hearing officer will render recommendations to the Secretary or his designee. The denial of a hearing request or a final decision by the Secretary or his designee after a hearing is Final Agency Action for the purpose of judicial review. In the event the MSP PRP Group fails to object to a LDEQ written notice of nonacceptance or decision made pursuant to this Agreement, the MSP PRP Group will be bound by such written notice of nonacceptance or decision.

If dispute resolution pursuant to this section is invoked with respect to a particular matter, all other work not directly affected thereby shall proceed according to the agreed upon schedule.

XXI. COVENANT NOT TO SUE

From the time of the effective date of this Agreement until completion of the work agreed to herein, LDEQ shall not institute suit or otherwise pursue claims relating to matters addressed in this Agreement against the MSP PRP Group unless there is a failure by the MSP PRP Group to comply with this Agreement or any Work Plan(s) after notice by LDEQ of such noncompliance and failure by the MSP PRP Group to correct such noncompliance, subject to the provisions of Section XX (DISPUTE RESOLUTION), above. In the event there is a failure to comply with this Agreement or any Work Plan(s), and subject to Section XX (DISPUTE RESOLUTION), LDEQ may take any action specified in Section XXII (RESERVATION OF RIGHTS).

Nothing herein shall preclude the parties from pursuing their rights and remedies under Section XXII (RESERVATION OF RIGHTS) herein.

XXII. RESERVATION OF RIGHTS

Notwithstanding compliance with the terms of this Agreement, the MSP PRP Group is not released from liability, if any, for any matters outside the scope of this Agreement.

LDEQ reserves the right to take any action or pursue any available remedy pursuant to any legal authority, including the right to seek compliance, injunctive relief, monetary penalties, and punitive damages for any breach of law, regulations, or this Agreement.

Except as expressly provided in Section XXI (COVENANT NOT TO SUE) of this Agreement, the MSP PRP Group and LDEQ expressly reserve all rights and defenses that they may have, including LDEQ's right, for good cause shown, both to not accept work performed by the MSP PRP Group that fails to meet the terms of this Agreement and to request that the MSP PRP Group perform tasks in addition to those detailed in the Work Plan(s).

In the event that the MSP PRP Group declines to perform any reasonable request to perform additional and/or modified tasks, including but not limited to those developed pursuant to Section VI (WORK TO BE PERFORMED), which under Section XX (DISPUTE RESOLUTION) has been determined reasonable, LDEQ reserves the right to undertake any such additional and/or modified task and to seek from the MSP PRP Group or other responsible parties recovery and/or reimbursement for any costs or expenses incurred in undertaking any such additional and/or modified tasks and any damages, including treble damages, allowed by law.

The MSP PRP Group reserves all rights and defenses it may have against any claims or demands which are made against it or its members by LDEQ under this Section XXII (RESERVATION OF RIGHTS) or as otherwise reserved by LDEQ. The MSP PRP Group further reserves all rights and claims it has or may have to assert against persons or entities, for matters arising out of the Site or its operation and ownership, including, but not limited to, claims for breach of contract, indemnity, contribution, nuisance and claims under federal, state and local laws.

XXIII. NO ADMISSION OF LIABILITY

Neither anything contained herein nor participation in this process shall constitute an admission of liability for the violation of any statute, regulation, ordinance or law or responsibility for any activities regarding this Site. Neither this Agreement nor the fact of participation of any party in this process shall be admitted as evidence of any admission or as a declaration against interest by the MSP PRP Group in any proceeding. This Agreement may be admitted as evidence of its terms in any proceeding instituted by the parties.

It is expressly agreed and stipulated by the parties that this Agreement is entered into in settlement and compromise, in recognition of the potential risks and expense of litigation.

XXIV. SUSPENSION OF PRESCRIPTION

It is expressly agreed and stipulated by the parties that the prescriptive period set forth in R.S. 30:2276(H) is suspended while this Agreement is in effect. The MSP PRP Group reserves the right to assert the defense of prescription in connection with the Site to the extent that the relevant claim may have prescribed prior to the effective date of this

Agreement. The time period while this Agreement is in effect shall not be included in computing the time provided by R.S. 30:2276(H) for any cause of action arising under Chapter 12 of the Environmental Quality Act concerning the Site. The suspension of prescription provided for herein is only effective between the parties hereto.

XXV. PUBLIC PARTICIPATION

The MSP PRP Group agrees to prepare and submit for LDEQ approval a Public Participation Plan in accordance with LAC 33:VI.803 designed to inform citizens of site plans and activities, as well as provide opportunity for citizen input. The MSP PRP Group shall be responsible for all Public Participation costs and shall be responsible for implementation of the plan under LDEQ supervision.

XXVI. REIMBURSEMENT OF OVERSIGHT COSTS

LDEQ may employ, arrange for, or contract with a qualified person to perform oversight tasks related to the work performed under this Agreement. Such qualified person shall keep accurate books and accounts of oversight costs. Such books and accounts may be audited by the MSP PRP Group upon written request. Oversight costs incurred by LDEQ in connection with the Site shall be reimbursed from the MSP Escrow Account as long as such funding remains available. To the extent that the MSP Escrow Account is depleted, the MSP PRP Group shall bear reasonable and necessary oversight costs incurred by LDEQ after the effective date of this Agreement in connection with the Work performed under this Agreement and as allowed by law. Annually from the date of this signed Agreement, or as deemed appropriate by LDEQ, LDEQ shall submit to the MSP PRP Group an invoice for LDEQ oversight costs which are to be reimbursed by the MSP PRP Group under this Agreement. If the MSP PRP Group disagrees with an invoice on the basis that costs incurred by LDEQ are not reasonable, not necessary or excessive, then the MSP PRP Group may invoke Section XX (DISPUTE RESOLUTION) of this Agreement. The MSP PRP Group shall, within sixty (60) calendar days of the invoice date, unless it has invoked Section XX (DISPUTE RESOLUTION) before this sixty (60) day period has passed, remit a check for the amount of those costs made payable to the Louisiana Department of Environmental Quality. Checks shall specifically reference the Site and invoice number, and be mailed to the following address:

Accountant Administrator
Financial Services Division
Office of Management and Finance
Louisiana Department of Environmental Quality
P.O. Box 4303
Baton Rouge, LA 70821-4303

A copy of the check and transmittal letter shall be mailed to:

Cost Recovery Officer
Office of Environmental Assessment
Remediation Services Division
Louisiana Department of Environmental Quality
P.O. Box 4314
Baton Rouge, LA 70821-4314

LDEQ reserves the right to bring an action against any responsible party not a participant pursuant to La. R.S. 30:2271 *et seq.* and the Comprehensive Environmental Response, Compensation, and Recovery Act (CERCLA) for recovery of any costs incurred by LDEQ related to this Agreement and not reimbursed by the MSP PRP Group. LDEQ reserves the right to bring an action against any responsible party pursuant to La. R.S. 30:2271 *et seq.* and CERCLA for recovery of any other past and future costs incurred by LDEQ in connection with activities conducted pursuant to state law or CERCLA at this Site.

XXVII. OTHER CLAIMS

Nothing in this Agreement shall constitute or be construed as a release of or from any claim, cause of action or demand in law or equity against any person, firm, partnership or corporation not a signatory to this Agreement for any liability it may have arising out of or related in any way to the generation, storage, treatment, handling, transportation, release, or disposal of any hazardous substances, hazardous wastes, pollutants, or contaminants found at, taken to, or taken from the Site.

XXVIII. OTHER APPLICABLE LAWS

All actions required to be taken pursuant to this Agreement shall be undertaken in accordance with requirements of all applicable local, state, and federal laws and regulations unless an exemption from such requirements is specifically provided in this Agreement. Notwithstanding the foregoing, this Agreement shall be interpreted and construed in accordance with the laws of the State of Louisiana.

XXVIX. INDEMNIFICATION OF THE STATE OF LOUISIANA

The MSP PRP Group agrees to indemnify, save and hold the State of Louisiana, its agencies, departments, agents and employees, harmless from any and all claims or causes of action arising from or on account of acts or omissions of the MSP PRP Group, its officers, employees, receivers, trustees, agents or assigns, in carrying out the activities and performing work at the Site pursuant to this Agreement. This indemnity does not extend to the liability, if any, of the state or any agency, department, officers, employees, agents, institution or political subdivision thereof as a generator or otherwise under La. R.S. 30:2271 *et seq.* or any other federal or state law prior to the effective date of this Agreement. This indemnity does not extend to claims or causes of action arising from or on account of acts or omissions of LDEQ, its employees, or contractors, performing work at the Site.

XXX. EFFECTIVE DATE AND SUBSEQUENT MODIFICATION

The Agreement may be executed in counterparts, and shall be effective on the date of the final signature.

This Agreement may only be amended by mutual agreement of LDEQ and the MSP PRP Group. Such amendments shall be in writing and shall have as the effective date, that date on which such amendments are signed by the Secretary of LDEQ or his designee.

No informal advice, guidance, suggestions, or comments by LDEQ regarding reports, plans, specifications, schedules, and any other writing submitted by the MSP PRP Group will be construed as relieving the MSP PRP Group of its obligations to obtain such formal acceptance as may be required by this Agreement.

Any reports, plans, specifications, schedules and attachments required by this Agreement are, upon acceptance by LDEQ, incorporated into this Agreement.

XXXI. FORCE MAJEURE

The MSP PRP Group shall be excused from performing the activities called for in the Work Plan(s), within the time limits and in the manner specified in the schedules included in the Work Plan(s), if such performance is prevented or delayed by circumstances which constitute *force majeure*. For purposes of this Agreement, *force majeure* is any circumstance, including but not limited to acts of God, floods, hurricanes and other weather events, war, riot, acts of terrorism, and strikes, and other circumstances that arise from causes beyond the MSP PRP Group's reasonable control despite the MSP PRP Group's due diligence and good faith efforts. In the event of *force majeure*, the time for performance of any activity delayed by the *force majeure* shall be extended for the time period of the delay attributable to the *force majeure* event and its effects and the time for performance of any activity dependent upon the delayed activity shall be similarly extended.

The MSP PRP Group shall notify LDEQ in writing as soon as reasonably possible but not later than fifteen (15) calendar days after the MSP PRP Group becomes aware of a circumstance that may delay or prevent (or has delayed or prevented) performance of any activity under the Work Plan(s). The notice shall state the cause and anticipated length of the delay, the measures taken by the MSP PRP Group to prevent or minimize such delay, and a timetable outlining when such measures were or will be taken.

If the parties do not agree as to whether or not the event(s) constitute(s) *force majeure*, the dispute shall be resolved in accordance with the provisions of Section XX (DISPUTE RESOLUTION).

XXXII. TERMINATION AND SATISFACTION

This Agreement shall be deemed satisfied and terminated upon the MSP PRP Group's receipt of written notice from LDEQ that the MSP PRP Group has demonstrated to the

satisfaction of LDEQ that all of the tasks of this Agreement, including any additional tasks which the MSP PRP Group has agreed to be necessary, have been completed. If the work has been completed to the satisfaction of LDEQ then LDEQ shall issue an appropriate written notice of satisfaction and termination of this Agreement not later than sixty (60) calendar days after completion of all tasks under this Agreement. LDEQ's failure to issue timely notice of satisfaction and termination shall be subject to Section XX (DISPUTE RESOLUTION).

XXXIII. PARTIES BOUND

Any person's signature to the attached "Signature Page to the Cooperative Agreement" shall constitute an agreement by that person, or as agent for a principal, to be bound by the terms and conditions of this Agreement. Any person may, before or after the effective date of this Agreement, agree to be bound by this Agreement.

This Agreement shall apply to and be binding upon the MSP PRP Group and LDEQ, their agents, successors and assigns and upon all persons, contractors, and consultants acting under, or for the MSP PRP Group or LDEQ.

No change in ownership of the Site or change in corporate or partnership status will in any way alter the status of the MSP PRP Group or in any way alter the MSP PRP Group's responsibility under this Agreement.

(Remainder of this page intentionally blank.)

IT IS SO AGREED AND ORDERED:

Paul D. Miller

Paul D. Miller, P.E.
Assistant Secretary
Office of Environmental Assessment
Department of Environmental Quality

WITNESSES:

Marilyn Tate
Keith Lasanora

---SWORN TO AND SUBSCRIBED, before me, the undersigned Notary Public, in the presence of the above-named witnesses, on the 18th day of March, 2009.

Christopher A. Rataliff
Notary Public (Signature)

Christopher A. Rataliff
Notary Public (Printed)

18675
Notary or Bar Roll #

COOPERATIVE AGREEMENT FOR SITE INVESTIGATION
AND REMEDIATION

BETWEEN
THE STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY

AND

THE MARINE SHALE PROCESSORS SITE PRP GROUP

IN THE MATTER OF

THE MARINE SHALE PROCESSORS SITE

AI #5414

Know all persons that the undersigned hereby consents and agrees to be bound by the terms of this Cooperative Agreement, to which this signature page is made a part.

Beazer East Inc.

By: [Signature]
(Signature)

THOMAS J BURGUNDER
(Printed)

Title: ATTORNEY

WITNESSES:

[Signature]
[Signature]

SWORN TO AND SUBSCRIBED, before me, the undersigned Notary Public, in the presence of the above-named witnesses, on the 23 day of JANUARY, 2009.

Donna Lee Kopach
Notary Public (Signature)

DONNA LEE KOPACH
Notary Public (Printed)

Notary or Bar Roll #

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Donna Lee Kopach, Notary Public
City Of Pittsburgh, Allegheny County
My Commission Expires March 22, 2011
Member, Pennsylvania Association of Notaries

COOPERATIVE AGREEMENT FOR SITE INVESTIGATION
AND REMEDIATION

BETWEEN
THE STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY

AND

THE MARINE SHALE PROCESSORS SITE PRP GROUP

IN THE MATTER OF

THE MARINE SHALE PROCESSORS SITE

AI #5414

Know all persons that the undersigned hereby consents and agrees to be bound by the terms of this Cooperative Agreement, to which this signature page is made a part.

Chemtron Corporation

By: Ronald J. Guenther
(Signature)

RONALD J. GUENTHER
(Printed)

Title:

President

WITNESSES:

Neuman M. Terry
Kathleen R. Cook

SWORN TO AND SUBSCRIBED, before me, the undersigned Notary Public, in the presence of the above-named witnesses, on the 26TH day of JANUARY, 2009

[Signature]
Notary Public (Signature)

RICHARD M. TIMM, JR.

Notary Public (Printed)

0065100 (OHIO)

Notary or Bar Roll #

RICHARD M. TIMM, JR., ATTY.
NOTARY PUBLIC • STATE OF OHIO
My Commission Has No Expiration Date
Section 147.05 O.R.C.

COOPERATIVE AGREEMENT FOR SITE INVESTIGATION
AND REMEDIATION

BETWEEN
THE STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY

AND

THE MARINE SHALE PROCESSORS SITE PRP GROUP

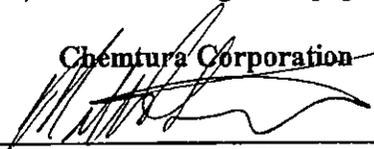
IN THE MATTER OF

THE MARINE SHALE PROCESSORS SITE

AI #5414

Know all persons that the undersigned hereby consents and agrees to be bound by the terms of this Cooperative Agreement, to which this signature page is made a part.

~~Chemtura Corporation~~

By: 

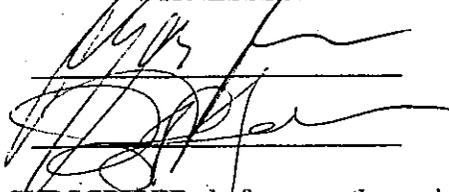
(Signature)

Matthew A. Sokol

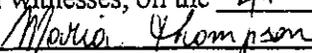
(Printed)

Title: Assistant General Counsel

WITNESSES:



SWORN TO AND SUBSCRIBED, before me, the undersigned Notary Public, in the presence of the above-named witnesses, on the 4TH day of FEBRUARY, 2009.


Notary Public (Signature)

MARIA THOMPSON
Notary Public (Printed)

Notary or Bar Roll #

MARIA THOMPSON
NOTARY PUBLIC
MY COMMISSION EXPIRES JULY 31, 2009

COOPERATIVE AGREEMENT FOR SITE INVESTIGATION
AND REMEDIATION

BETWEEN
THE STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY

AND

THE MARINE SHALE PROCESSORS SITE PRP GROUP

IN THE MATTER OF

THE MARINE SHALE PROCESSORS SITE

AI #5414

Know all persons that the undersigned hereby consents and agrees to be bound by the terms of this Cooperative Agreement, to which this signature page is made a part.

Clean Harbors Environmental Services, Inc., on behalf of Safety-Kleen
Services, Inc., or any of its

By: RaeFord Craig Lackey, Esq.
(Signature)

subsidiaries, direct or
indirect, under full
reservation of all rights
and defenses assertable.

RAEFORD CRAIG LACKEY, ESQ.
(Printed)

Title: VICE PRESIDENT & CHIEF COUNSEL

(RL)

WITNESSES:

[Signature]
[Signature]

SWORN TO AND SUBSCRIBED, before me, the undersigned Notary Public, in
the presence of the above-named witnesses, on the 10th day of February, 2009.

Jacqueline A. Cox
Notary Public (Signature)

My commission expires June 2, 2015 Jacqueline A. Cox
Notary Public (Printed)

N/A
Notary or Bar Roll #

COOPERATIVE AGREEMENT FOR SITE INVESTIGATION
AND REMEDIATION

BETWEEN
THE STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY

AND

THE MARINE SHALE PROCESSORS SITE PRP GROUP

IN THE MATTER OF

THE MARINE SHALE PROCESSORS SITE

AI #5414

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Environmental Enterprises, Inc.

By: 
(Signature)

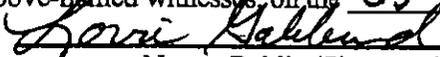
DAN McCabe
(Printed)

Title: President

WITNESSES:


Paul Cottle

SWORN TO AND SUBSCRIBED, before me, the undersigned Notary Public, in the presence of the above-named witnesses, on the 23rd day of January, 2008.


Notary Public (Signature)

Lorri Gabbard
Notary Public (Printed)

2-20-2012
Notary or Bar Roll #

COOPERATIVE AGREEMENT FOR SITE INVESTIGATION
AND REMEDIATION

BETWEEN
THE STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY

AND

THE MARINE SHALE PROCESSORS SITE PRP GROUP

IN THE MATTER OF

THE MARINE SHALE PROCESSORS SITE

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Know all persons that the undersigned hereby consents and agrees to be bound by the terms of this Cooperative Agreement, to which this signature page is made a part.

Giant Resource Recovery-Attalla, Inc. (f/k/a M&M Chemical)

By: [Signature]
(Signature)

Jeremiah J. Jewett, III
(Printed)

Title: Vice President and General Counsel

WITNESSES:

[Signature]
[Signature]

SWORN TO AND SUBSCRIBED, before me, the undersigned Notary Public, in the presence of the above-named witnesses, on the 13th day of January, 2007.

[Signature]
Notary Public (Signature)

A.M. Cigliano
Notary Public (Printed)

Notary or Bar Roll #



COOPERATIVE AGREEMENT FOR SITE INVESTIGATION
AND REMEDIATION

BETWEEN
THE STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY

AND

THE MARINE SHALE PROCESSORS SITE PRP GROUP

IN THE MATTER OF

THE MARINE SHALE PROCESSORS SITE

AI #5414

Know all persons that the undersigned hereby consents and agrees to be bound by the terms of this Cooperative Agreement, to which this signature page is made a part.

Hydrite Chemical Company

By: David Mueller
(Signature)

David J. Mueller
(Printed)

Title: Vice President

WITNESSES:

Rolt G. Hunt
John R. [Signature]

SWORN TO AND SUBSCRIBED, before me, the undersigned Notary Public, in the presence of the above-named witnesses, on the 26th day of January, 2009.

Stacey L. Roedel
Notary Public (Signature)

Stacey L. Roedel
Notary Public (Printed)

Notary or Bar Roll #

COOPERATIVE AGREEMENT FOR SITE INVESTIGATION
AND REMEDIATION

BETWEEN
THE STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY

AND

THE MARINE SHALE PROCESSORS SITE PRP GROUP

IN THE MATTER OF

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AI #5414

Know all persons that the undersigned hereby consents and agrees to be bound by the terms of this Cooperative Agreement, to which this signature page is made a part.

International Paper Company

By: Brian E. Heim
(Signature)

Brian E. Heim
(Printed)

Title: Senior Counsel - EHS + Sustainability

WITNESSES:

Ashley Davidson
Michelle Byrd

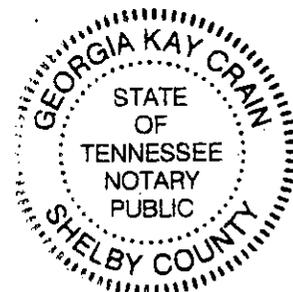
SWORN TO AND SUBSCRIBED, before me, the undersigned Notary Public, in the presence of the above-named witnesses, on the 27 day of January, 2009

Notary Public (Signature)
Georgia Kay Crain

My Commission Expires 6/23/2009
Notary Public

My Commission Expires 6/23/2009

Notary or Bar Roll #



COOPERATIVE AGREEMENT FOR SITE INVESTIGATION
AND REMEDIATION

BETWEEN
THE STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY

AND

THE MARINE SHALE PROCESSORS SITE PRP GROUP

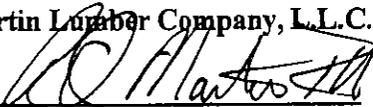
IN THE MATTER OF

THE MARINE SHALE PROCESSORS SITE

AI #5414

Know all persons that the undersigned hereby consents and agrees to be bound by the terms of this Cooperative Agreement, to which this signature page is made a part.

Roy O. Martin Lumber Company, L.L.C.

By: 

(Signature)

Roy O. Martin III

(Printed)

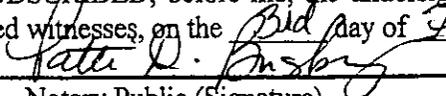
Title: President

WITNESSES:



Johnette Snyder

SWORN TO AND SUBSCRIBED, before me, the undersigned Notary Public, in the presence of the above-named witnesses, on the 21st day of February, 2009.


Notary Public (Signature)

Patti D. Busby
Notary Public (Printed)

42297
Notary or Bar Roll #

COOPERATIVE AGREEMENT FOR SITE INVESTIGATION
AND REMEDIATION

BETWEEN
THE STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY

AND

THE MARINE SHALE PROCESSORS SITE PRP GROUP

IN THE MATTER OF

THE MARINE SHALE PROCESSORS SITE

AI #5414

Know all persons that the undersigned hereby consents and agrees to be bound by the terms of this Cooperative Agreement, to which this signature page is made a part.

Perma-Eis Environmental Services, Inc.

By: [Signature]

(Signature)

LARRY McNAMARA

(Printed)

Title: COO

WITNESSES:

[Signature]

SWORN TO AND SUBSCRIBED, before me, the undersigned Notary Public, in the presence of the above-named witnesses, on the 30th day of JANUARY, 2009.

[Signature]

Notary Public (Signature)

JAMES F MORRISON

Notary Public (Printed)

Notary or Bar Roll #



COOPERATIVE AGREEMENT FOR SITE INVESTIGATION
AND REMEDIATION

BETWEEN
THE STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY

AND

THE MARINE SHALE PROCESSORS SITE PRP GROUP

IN THE MATTER OF

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AI #5414

Know all persons that the undersigned hereby consents and agrees to be bound by the terms of this Cooperative Agreement, to which this signature page is made a part.

Pollution Control Industries, Inc.

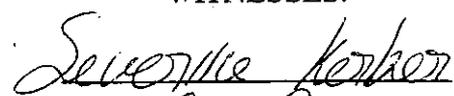
By: 
(Signature)

Steven Jay Katz

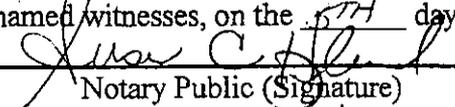
(Printed)

Title: Attorney -in-Fact

WITNESSES:




SWORN TO AND SUBSCRIBED, before me, the undersigned Notary Public, in the presence of the above-named witnesses, on the 5TH day of February, 2009


Notary Public (Signature)

Susan C. Heglund
Notary Public (Printed)

Notary of Bar Roll #



COOPERATIVE AGREEMENT FOR SITE INVESTIGATION
AND REMEDIATION

BETWEEN
THE STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY

AND

THE MARINE SHALE PROCESSORS SITE PRP GROUP

IN THE MATTER OF

THE MARINE SHALE PROCESSORS SITE

AI #5414

Know all persons that the undersigned hereby consents and agrees to be bound by the terms of this Cooperative Agreement, to which this signature page is made a part.

Romic Environmental Technologies Corp.

By: Wayne Kiso
(Signature)

WAYNE KISO
(Printed)

Title: President

WITNESSES:

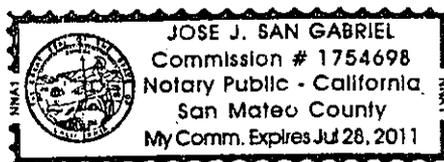
Jose J. San Gabriel
Jose J. San Gabriel

SWORN TO AND SUBSCRIBED, before me, the undersigned Notary Public, in the presence of the above-named witnesses, on the 2nd day of February, 2009.

Jose J. San Gabriel
Notary Public (Signature)

JOSE J. SAN GABRIEL
Notary Public (Printed)

1754698
Notary or Bar Roll #



To: LEM KINGORE / RICH MCCONNELL FAX 225 388-4133
HARD COPY TO FOLLOW!

COOPERATIVE AGREEMENT FOR SITE INVESTIGATION
AND REMEDIATION

BETWEEN
THE STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY

AND

THE MARINE SHALE PROCESSORS SITE PRP GROUP

IN THE MATTER OF

THE MARINE SHALE PROCESSORS SITE

AI #5414

Know all persons that the undersigned hereby consents and agrees to be bound by the terms of this Cooperative Agreement, to which this signature page is made a part.

Solvents and Petroleum Service, Inc.

By: [Signature]
(Signature)

315 420-9264 ext 2

FREDRICK S. LUKER
(Printed)

Title: V.P.

WITNESSES:

[Signature]

SWORN TO AND SUBSCRIBED, before me, the undersigned Notary Public, in the presence of the above-named witnesses, on the 27 day of JAN, 2009

[Signature]
Notary Public (Signature)

Michael G. Held
Notary Public (Printed)

Notary or Bar Roll #



COOPERATIVE AGREEMENT FOR SITE INVESTIGATION
AND REMEDIATION

BETWEEN
THE STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY

AND

THE MARINE SHALE PROCESSORS SITE PRP GROUP

IN THE MATTER OF

THE MARINE SHALE PROCESSORS SITE

AI #5414

Know all persons that the undersigned hereby consents and agrees to be bound by the terms of this Cooperative Agreement, to which this signature page is made a part.

The Solvents Recovery Service of New Jersey, Inc.

By: [Signature]
(Signature)

VIRGIE DURAN
(Printed)

Title: ASSISTANT SECRETARY

WITNESSES:

[Signature]

[Signature]

SWORN TO AND SUBSCRIBED, before me, the undersigned Notary Public, in the presence of the above-named witnesses, on the 23rd day of January, 2009.

[Signature]
Notary Public (Signature)

KIRSTEN C. FRILLICI
Notary Public (Printed)

Notary or Bar Roll #



COOPERATIVE AGREEMENT FOR SITE INVESTIGATION
AND REMEDIATION

BETWEEN
THE STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY

AND

THE MARINE SHALE PROCESSORS SITE PRP GROUP

IN THE MATTER OF

THE MARINE SHALE PROCESSORS SITE

AI #5414

Know all persons that the undersigned hereby consents and agrees to be bound by the terms of this Cooperative Agreement, to which this signature page is made a part.

3M Company

By:

R. A. Paschke

(Signature)

R. A. Paschke

(Printed)

Manager,

Title: Corporate Environmental Programs

WITNESSES:

Ben A. Kwiatkowski

[Signature]

SWORN TO AND SUBSCRIBED, before me, the undersigned Notary Public, in the presence of the above-named witnesses, on the 3rd day of February, 2009.

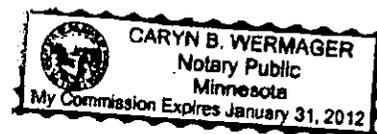
Caryn B. Wermager

Notary Public (Signature)

Caryn Wermager

Notary Public (Printed)

Notary or Bar Roll #



COOPERATIVE AGREEMENT FOR SITE INVESTIGATION
AND REMEDIATION

BETWEEN
THE STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY

AND

THE MARINE SHALE PROCESSORS SITE PRP GROUP

IN THE MATTER OF

THE MARINE SHALE PROCESSORS SITE

AI #5414

Know all persons that the undersigned hereby consents and agrees to be bound by the terms of this Cooperative Agreement, to which this signature page is made a part.

Trelleborg Coated Systems US, Inc.

By: [Signature]
(Signature)

ADAM H. Bloomenstein
(Printed)

Title: Secretary

WITNESSES:

[Signature]

[Signature]

SWORN TO AND SUBSCRIBED, before me, the undersigned Notary Public, in the presence of the above-named witnesses, on the 28 day of January, 2009

[Signature]
Notary Public (Signature)

Heather Boden
Notary Public (Printed)

Expires 2-9-2013
Notary or Bar Roll #

HEATHER BODEN
Notary Public, State of Michigan
County of Oakland
My Commission Expires 02-09-2013
Acting in the county of Oakland

COOPERATIVE AGREEMENT FOR SITE INVESTIGATION
AND REMEDIATION

BETWEEN
THE STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY

AND

THE MARINE SHALE PROCESSORS SITE PRP GROUP

IN THE MATTER OF

THE MARINE SHALE PROCESSORS SITE

AI #5414

Know all persons that the undersigned hereby consents and agrees to be bound by the terms of this Cooperative Agreement, to which this signature page is made a part.

Trinity Industries, Inc.
By: [Signature]
(Signature)

S. Theis Rice
(Printed)

Title: V.P. & Chief Legal Officer

WITNESSES:

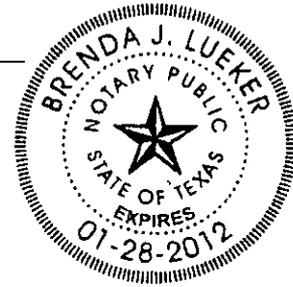
[Signature]
[Signature]

SWORN TO AND SUBSCRIBED, before me, the undersigned Notary Public, in the presence of the above-named witnesses, on the 30th day of January, 2009.

[Signature]
Notary Public (Signature)

Brenda J. Lueker
Notary Public (Printed)

12635927-3
Notary or Bar Roll #



APPENDIX "A"

1. Beazer East Inc.
2. Chemtron Corporation
3. Chemtura Corporation
4. Clean Harbors Environmental Services, Inc.
5. Environmental Enterprises, Inc.
6. Giant Resource Recovery-Attalla, Inc. (f/k/a M&M Chemical)
7. Hydrite Chemical Company
8. International Paper Company
9. Lion Oil Company
10. Roy O. Martin Lumber Company, L.L.C.
11. Perma-Fix Environmental Services, Inc.
12. Pollution Control Industries, Inc.
13. Romic Environmental Technologies Corp.
14. Solvents and Petroleum Service, Inc.
15. The Solvents Recovery Service of New Jersey, Inc.
16. 3M Company
17. Trelleborg Coated Systems US, Inc.
18. Trinity Industries, Inc.

MEMORANDUM OF UNDERSTANDING
between
**UNITED STATES DEPARTMENT OF JUSTICE,
U.S. ENVIRONMENTAL PROTECTION AGENCY,
REGION VI**
and
**STATE OF LOUISIANA
DEPARTMENT OF ENVIRONMENTAL QUALITY**
for the
MARINE SHALE PROCESSORS FACILITY

I. Purpose and Scope

The purpose of this Memorandum of Understanding is to coordinate the efforts and decision making processes of the United States Department of Justice ("DOJ"), U.S. Environmental Protection Agency ("EPA") Region 6, and Louisiana Department of Environmental Quality ("LDEQ"), on behalf of the State of Louisiana, concerning the response and oversight under the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 40 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et al., and the Liability for Hazardous Substance Remedial Act ("LHSRA"), La. R.S. 30:2271-2290, related to the closure and remediation of the Marine Shale Processors, Inc. ("MSP") and Recycling Park, Inc. ("RPI") facilities located in Amelia, Louisiana.

II. Background

A. CERCLA charges the President, RCRA charges the Administrator of EPA, and LHSRA charges the Secretary of LDEQ with the responsibility to respond to and pursue enforcement actions related to the release or threatened release of hazardous substances and hazardous wastes to protect human health and the environment.

B. By Executive Order No. 12580, 52 FR 2923 (January 23, 1987), the President delegated authority to conduct response and enforcement action under CERCLA to the Administrator of the EPA. These authorities were further delegated to the EPA Regional Administrators, respectively.

C. The Department of Justice is responsible for conducting civil litigation on behalf of the EPA, 28 U.S.C. §§ 514-519.

D. On September 11, 2006, the United States District Court for the Western District of Louisiana, Judge Duplantier presiding, Case No. CV-1240, entered a Stipulation of Settlement and Judgment ("Stipulated Judgment") among the United States, EPA, LDEQ, MSP, RPI, and John Kent, Sr. ("Kent"). See Exhibit 1 (United States et al. v. Marine Shale Processors Inc. et

al, C.A. 90-1240, Stipulation of Settlement and Judgment, September 11, 2006). Under the Stipulated Judgment:

1. The Court entered a \$6,225,995 judgment for penalties in favor of the United States and LDEQ and against MSP and RPI.

2. A separate \$6,225,995 on deposit in the court registry, plus interest, must be paid to the Secretary of LDEQ. Upon receipt, the Secretary is required to deposit the funds in an interest bearing escrow account, pursuant to La. R.S. 30:2031 ("MSP Escrow Account"). The Secretary is required to expend such funds solely for the closure and remediation of the contamination at the MSP facility and/or the RPI facility. The payment of such funds does not satisfy the judgment for civil penalties entered against MSP and RPI. An additional letter of credit (#SB-007676-AD) posted by MSP and issued by Hibernia National Bank in the amount of approximately \$850,000 also will be transferred to LDEQ and used for the cleanup of the MSP and RPI facilities.

3. MSP, RPI, and Mr. Kent are prohibited from owning or controlling a majority interest in or participating in the management of any business involved in waste management or recycling.

4. MSP, RPI, and Mr. Kent are all required to provide reasonable access to the MSP and RPI facilities to representatives of the LDEQ and EPA, including any contractors retained by LDEQ or EPA, for the purposes of closure of the MSP and RPI facilities and the investigation and cleanup of environmental contamination at the facilities. MSP, RPI, and Mr. Kent shall allow representatives of LDEQ, including contractors retained by LDEQ, to close, investigate and cleanup the MSP and RPI facilities in any manner that complies with applicable law and regulations.

5. MSP, RPI and Mr. Kent are required to consent to the imposition of any institutional or engineering controls, or land use restrictions (collectively "institutional controls") that may be deemed appropriate by LDEQ and/or EPA as part of implementing or ensuring the effectiveness of measures that may be selected to remediate or close the MSP and/or RPI facilities or to protect human health or the environment from contamination at the MSP and/or RPI facilities.

(a) With respect to the MSP facility such institutional controls include, without limitation, the following requirements: (i) the MSP facility shall only be used for industrial purposes; (ii) the concrete covering the kiln residue under the process area shall not be disturbed or removed; (iii) if any concrete covering the kiln residue under the process area is disturbed or removed, the person or entity who distributes or removes the material shall immediately repair and restore the same; and (iv) if any kiln material is removed from the MSP facility, it shall be disposed of in a Hazardous Waste Landfill under Louisiana regulations, LAC 33 Part V, or in an equivalent RCRA Subtitle C Landfill if outside Louisiana; and (v) no persons or entities shall interfere with any remedial or corrective actions approved by EPA and LDEQ and implemented at the MSP facility.

(b) With respect to the RPI facility such institutional controls include, without limitation, the following requirements: (i) the RPI facility shall only be used for industrial purposes; (ii) the cap placed over the kiln residue shall not be disturbed or removed; (iii) if any cap material is disturbed or removed, the person or entity who distributes or removes the material shall immediately repair and restore the same; and (iv) if any kiln material is removed from the RPI facility, it shall be disposed of in a Type I Industrial Solid Waste Landfill under Louisiana regulations, LAC 33 Part VII, or in an equivalent RCRA Subtitle D Landfill if to be disposed of outside Louisiana, in a segregated cell containing no material other than the removed kiln residue, unless the total volume of the kiln residue removed from the RPI facility is less than 100 tons, in which case a segregated cell is not required; and (v) no persons or entities shall interfere with any remedial or corrective actions approved by EPA and LDEQ and implemented at the RPI facility.

6. After EPA and LDEQ certify that the cleanups at the MSP and RPI facilities have been completed, EPA and LDEQ have the option of receiving the proceeds from the sale of the properties to satisfy the civil penalty judgment.

7. A number of investigations of the hazardous wastes and hazardous substances present have been performed at the MSP facility. These investigations are summarized in the Expert Report of John B. Robertson, P.G. April 7, 2006 and Expert Report of June Sutherland, D.V.M., Ph.D, April 7, 2006. See Exhibits 2 and 3. Based on these investigations, Mr. Robertson (a hydrogeologist) and Dr. Sutherland (a toxicologist) have drawn the following conclusions regarding the remedial actions that need to be performed at the MSP facility:

(a) Unprocessed and Semi-Processed Wastes - Large quantities of unprocessed and semi-processed hazardous wastes are stored in open barges and closed tanks in the process area. Characterization of these wastes indicates the presence of highly elevated concentrations of metals including arsenic, lead, and cadmium. These wastes present a number of safety concerns. To ensure the protection of human health and the environment, the wastes should be removed from the facility and treated and/or disposed of in accordance with the Hazardous Waste Louisiana regulations, LAC 33 Part V, or in accordance with equivalent RCRA federal regulations, 40 CFR Parts 260-268.

(b) Incinerator Ash used as Fill in Areas under and near the White House - Large quantities of incinerator ash were used as fill material to raise the grade of the southern portion of the facility adjacent to the bayou. Some of this waste material contains toxic metals, polycyclic aromatic hydrocarbons, and chlorinated organic compounds that exceed regulatory standards for soils in industrial and residential areas. The ash is subject to the elements and over time natural weathering processes may result in the release of these constituents to the surrounding soils, groundwater, and bayou. Since the land surface in this area is compromised of ash, people present at this location may have direct contact exposure to the ash. More comprehensive sampling needs to be done to determine whether direct exposure to the ash may pose unacceptable risks to human health and to determine the appropriate disposal option.

(c) Incinerator Ash used as Fill under Concrete Covering the Process Area - The covered area that houses the former dock and processing areas is built on fill material

consisting of incinerator ash. The chemical composition of this material is similar to that under and near the White House. However, these materials are present beneath the concrete foundation of the building and therefore are sealed off from exposure to the environment. While more comprehensive sampling is needed, the ash under the concrete covering does not appear to pose a direct contact threat to people at the site.

(d) Groundwater and Potential Impacts to the Bayou - Chemicals-related to facility operations and incinerator ash have been detected in groundwater at the MSP facility for a number of years. There appear to be two relatively limited areas of groundwater contamination of potential concern at the site. The first is in the southern portion of the facility near the former creosote waste pile located adjacent to the bayou; the second is a smaller area under the dock in the processing area. Although the chemical concentrations present in groundwater have decreased over time, recent testing results indicate that pentachlorophenol, arsenic, selenium, thallium, 2,4,6-trichlorophenol, and bis(ethylhexyl)phthalate still are present in groundwater concentrations that exceed Risk Evaluation Corrective Action Program ("RECAP") standards. The groundwater flow direction is toward the bayou, therefore chemicals present in the groundwater are likely discharging to the bayou. If future remedial investigation and risk assessments indicate an unacceptable risk, remedial actions can be implemented to reduce the risk to acceptable levels.

E. Under a separate Consent Decree among the United States, State of Louisiana, Southern Wood Piedmont ("SWP") and its parent Rayonier, Inc. ("Rayonier"), entered by the Court on September 11, 2006, the two companies agreed to perform a corrective action and cleanup at the RPI facility located near the MSP facility by placing a protective cap over the hazardous constituents in accordance with a work plan approved by EPA and LDEQ. See Exhibit 2 (United States et al. v. Marine Shale Processors Inc. et al, C.A. 90-1240, Consent Decree among the United States, State of Louisiana, Southern Wood Piedmont Company and Rayonier, Inc., September 11, 2006).

1. In December 2004, SWP submitted a Human Health Risk Assessment: Recycling Park, Inc. Facility prepared for SWP by Chemrisk, Inc. After reviewing the previous history of the RPI facility and the sampling results and analysis contained in the RPI Risk Assessment, EPA and LDEQ determined that the remedial measures set forth in the Work Plan attached to the Consent Decree will be protective of human health and the environment at the RPI facility and have authorized SWP to implement such remedial measures.

2. Within 90 days after the effective date of the Consent Decree, SWP is required to commence the clearing and grubbing of Area A of the RPI Site. Within 24 months thereafter, SWP is required to complete the remedial measures described in the Work Plan for Area A of the RPI facility.

3. Within 150 days after the effective date of the Consent Decree, SWP is required to begin the clearing and grubbing of Area B of the RPI Site. Within 24 months thereafter, SWP is required to complete the remedial measures described in the Work Plan for Area B of the RPI facility.

4. Within 210 days after the effective date of the Consent Decree, SWP must begin the clearing and grubbing of Area C of the RPI Site. Within 24 months thereafter, SWP must complete the remedial measures described in the Work Plan for Area C of the RPI facility.

5. Within 60 days after SWP concludes that the remedial measures have been fully performed, SWP must schedule and conduct an inspection to be attended by SWP, EPA, and LDEQ. If, after the inspection, SWP still believes that the remedial measures have been fully performed, it must submit a written report requesting certification to EPA and LDEQ for review and approval, within 30 days of the inspection. EPA, after a reasonable opportunity for review and comment by LDEQ, must issue written notice of approval or denial of the request for certification of completion within 60 days of receipt of the request from SWP.

6. After the EPA and LDEQ certify that the remedial measures have been fully performed, SWP will be responsible for maintaining the effectiveness of the remedial measures performed for a period of 12 months after such certification by the EPA and LDEQ.

7. SWP and Rayonier also have paid \$200,000 toward the cleanup at the MSP facility, which LDEQ has placed in an interest bearing account that will be combined with the funds from the court registry received under the Stipulated Judgment.

G. EPA Region 6 recently formally requested DOJ to pursue enforcement actions under Sections 106 and 107 of CERCLA, 42 U.S.C. §§ 9606, 9607, against numerous generators of hazardous waste that sent their wastes to MSP for treatment and disposal.

III. Understanding and Plan

A. Both the DOJ and LDEQ have placed or will place judgment liens on all real property owned by MSP and RPI in St. Mary Parish, Louisiana. MSP and RPI appear to be without liquid assets. Within the last two years, RPI has sold several real properties. Mr. Kent has received the proceeds from these sales. DOJ, EPA, and LDEQ may pursue fraudulent conveyance claims against RPI and Mr. Kent to obtain these proceeds in partial satisfaction of the \$6,225,959 penalty judgment entered against MSP and RPI. The parties hereto will coordinate with each other if they decide to pursue such claims.

B. All funds in the MSP Escrow Account will be used to investigate and remediate the MSP facility, unless all parties hereto agree in writing that a certain portion of funds in the MSP Escrow Account may be used to investigate and remediate the RPI facility. LDEQ shall provide EPA Region 6 and DOJ with 30 days advance notice if LDEQ decides to expend more than \$150,000 from the MSP Escrow Account. LDEQ will consult with and obtain EPA Region 6 and DOJ concurrence before deciding to expend more than \$150,000 from the MSP Escrow Account. LDEQ shall give EPA Region 6 and DOJ at least 15 days advance notice before any change in an existing contract that exceeds \$150,000. If an emergency expenditure is required, LDEQ shall use due diligence to notify and obtain EPA Region 6's concurrence before any such expenditure. If, however, LDEQ is unable to notify EPA Region 6 in advance, LDEQ has not relinquished the authority it has to make such an expenditure as required. LDEQ will provide quarterly financial statements to EPA Region 6 and DOJ regarding funds expended and

remaining in the MSP Escrow Account.

C. LDEQ, EPA Region 6, and DOJ agree that the funds in the MSP Escrow Account will be expended in order to achieve and be consistent with the following removal and remedial priorities in order of importance at the MSP facility:

1. Removal and proper disposal of the material in the leaking closed tanks at the MSP facility;
2. Removal and proper disposal of the material in the open barges, other closed tanks, kiln, and other equipment at the MSP facility;
3. Stabilize the exposed area near the White House;
4. The dismantlement of the kiln and other equipment at the MSP facility;
5. A comprehensive investigation of the contamination at the MSP facility, including the sediments in the bayou adjacent to the former creosote pad;
6. The implementation of any long term remedial measures determined to be required after the comprehensive investigation of the contamination is completed at the MSP facility.

D. LDEQ will be primarily responsible for overseeing the work performed at the MSP and RPI facilities with assistance from EPA Region 6. LDEQ may receive reimbursement from the MSP Escrow Account for its costs incurred in overseeing the investigation and remediation of the MSP and RPI facilities. However, the funds for such reimbursement shall not be taken from the principal amount transferred to the MSP Escrow Account from the United States District Court, but only from interest accrued on the amount transferred to the MSP Escrow Account. The quarterly financial statements provided by LDEQ to EPA Region 6 and DOJ shall include a summary of any interest accrued and oversight costs paid to LDEQ from the MSP Escrow Account.

E. EPA, after a reasonable opportunity for review and comment by LDEQ, will issue a written notice of approval or denial of a request from SWP for certification of completion of the remedial measures at the RPI facility.

F. DOJ, EPA Region 6, and LDEQ will coordinate their efforts to pursue enforcement actions under Sections 106 and 107 of CERCLA, 42 U.S.C. §§ 9606, 9607, against the generators of hazardous waste that sent their wastes to MSP for treatment and disposal. LDEQ will not delay the expenditure of funds from the MSP Escrow Account in anticipation of any work to be performed or costs to be recovered from any new potentially responsible parties.

G. After EPA and LDEQ have certified that the MSP and RPI facilities have been remediated, LDEQ, EPA Region 6, and DOJ will collectively decide whether to exercise their

option for the transfer to a trust of title to the real properties on which the MSP and RPI facilities are located for the purpose of sale for the benefit of EPA and LDEQ. If this option is exercised, the transfer to the trust of title to the properties will satisfy the judgment for penalties against MSP and RPI. The parties agree not to exercise this option unless all parties hereto determine that the exercise of such option is in their mutual best interest. If one facility is certified as remediated before the other, EPA and LDEQ may exercise their option for the sale of such facility before the other.

IV. Notices

Unless otherwise specified herein, whenever notifications, submissions, or communications are required by this Memorandum of Understanding, they shall be made in writing and addressed as follows:

As to the United States:

Richard Gladstein, Senior Counsel
Environmental Enforcement Section
Environment and Natural Resources Division
U.S. Department of Justice
P.O. Box 7611
Washington, D.C. 20044-7611
(202) 514-1711

As to EPA:

Craig Lutz, RCRA Branch
ALONN (6EN-HX)
Compliance Assurance and Enforcement Division
U.S. Environmental Protection Agency, Region VI
1445 Ross Avenue
Dallas, Texas 75202-2733
(214) 665-2190

As to LDEQ:

Gary Fulton
Office of Environmental Assessment
Louisiana Department of Environmental Quality
P.O. Box 4314
Baton Rouge, Louisiana 70821-4302
(225) 219-3207

V. Limitations

A. DOJ, EPA Region 6, and LDEQ reserve their respective rights and authorities under CERCLA, RCRA, and LHSRA, including enforcement authority to bring actions against

responsible parties whose actions result in a release or threat of release of hazardous substances to the environment. No provision of this Memorandum of Understanding may be used to limit those rights and authorities or to prejudge what those rights and authorities may be.

B. This Memorandum of Understanding is neither a fiscal nor a funds obligation document. Any endeavor involving reimbursement, contribution of funds, or transfer of anything of value between the parties to this Memorandum of Understanding will be handled in accordance with applicable laws, regulations, and procedures including those for government procurement. Such endeavors will be outlined in separate agreements that shall be made in writing by representatives of the parties and shall be independently authorized by appropriate statutory authority. This instrument does not provide such authority.

C. This Memorandum of Understanding shall not be deemed to create any right, benefit or trust obligation, either substantive or procedural, enforceable by any person or entity in any court against the United States, its agencies, its officers or any other person.

D. The parties hereto agree to operate in good faith and make collaborative and joint decisions whenever possible. This Memorandum of Understanding may be modified upon the written agreement of all parties.

E. This Memorandum of Understanding may be executed in counterparts by each of the signatories. Each of the counterpart documents shall be deemed an original, but together shall constitute one and the same instrument.

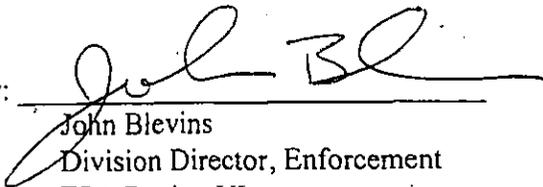
F. This Memorandum of Understanding is effective upon the date signed by the last of the parties.

The undersigned parties hereby agree to the terms and conditions of this Memorandum of Understanding.

Signature Page - Memorandum of Understanding between
U.S. Department of Justice, U.S. EPA Region VI, +
LDEQ for the Marine Shale Processors Facility

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, REGION 6:

By:



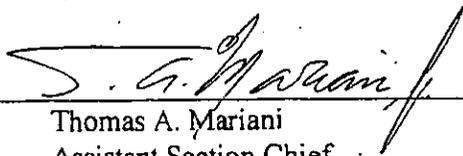
John Blevins
Division Director, Enforcement
EPA Region VI
1445 Ross Avenue
Dallas, Texas 75202-2733

3/28/07

(Date)

UNITED STATES DEPARTMENT OF JUSTICE

By:



Thomas A. Mariani
Assistant Section Chief
Environmental Enforcement Section
Environment and Natural Resources Division
United States Department of Justice
P.O. Box 7611
Washington, D.C. 20044-7611

03-27-2007

(Date)

LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY

By:



Wilbert Jordan
Assistant Secretary
Office of Environmental Assessment
Louisiana Department of Environmental Quality
P.O. Box 4314
Baton Rouge, Louisiana 70821-4314

3/12/07

(Date)

APPENDIX C
REPORT REQUIREMENTS

Summary Reports:

I. General Requirements

A. Data Deliverable Quality

The data deliverable package shall be bound and paginated with reproduction quality such that all pages are legible.

B. Narrative

The report shall begin with a narrative that includes the laboratory certification number, the date of report preparation, a cross-reference between sample identifications and laboratory identifications, and any and all method modifications.

C. Chain-of-Custody Record

A completed copy of each chain-of-custody record shall be submitted. The chain-of-custody record must serve as documentation of the secure and appropriate handling of samples from the site to the laboratory. This document must legibly indicate the sample collector, all field identifications, the date and time of each sample collection, the analytical request, an indication of the appropriate chemical (where applicable) and physical preservation(s), documentation of all changes of custody (including names and affiliations of persons involved, date and time of exchange, and, if applicable, an overnight courier airbill number), the temperature of the sample cooler on receipt at the laboratory, a notation regarding the custody seal (i.e., intact, broken, not used), the condition of the samples on receipt at the laboratory (i.e., intact, breakage), and any general comments deemed necessary by anyone handling the samples.

D. Methodology Review

The methodology review must list the method numbers (including revision) for all analytical procedures (i.e., extraction, digestion, cleanup, and analytical finish), with a detailed discussion of any and all modifications.

E. Laboratory Chronicle

The laboratory chronicle shall detail actual sample holding times and specify the sample condition upon receipt at the laboratory (including sample temperature and pH when pH adjustment is required). Holding time begins at the time of sample collection.

F. Conformance/Non-Conformance Summary

A non-conformance summary shall be completed and signed by the laboratory. This summary must state that the laboratory has reviewed the quality assurance/quality control measures and identifies any deviations from the accepted practices or results. Problems observed during the analysis of each sample and analytical fraction must be discussed. Method or laboratory qualifiers applied to the results denoting quality control deficiencies shall be defined including the potential impact to the reported results.

II. Data Reporting and Quality Assurance/Quality Control (QA/QC) Requirements

Data will be generated using methods and QA/QC procedures which meet the requirements for "definitive data" as per Section 2.4 of RECAP 2003. A laboratory appropriately accredited by the State of Louisiana will be required to provide the QA/QC documentation identified in Section 2.4 of RECAP, and sufficient documentation such that data quality and usability may be evaluated in accordance with Section 2.5 of RECAP 2003.

- 33:I, Chapter 13, the Risk Evaluation/Corrective Action Program (hereinafter RECAP); and
- (3) complete a Corrective Action Study to determine the appropriate remedial actions for the Site.

IV. SITE LOCATION

The Site consists of approximately 48 acres and is located at 9828 Louisiana Highway 182 East approximately 1.5 miles west of Amelia, St. Mary Parish, Louisiana. The Site is bordered by Louisiana Highway 90 to the north, industrial properties to the northwest and to the southeast, and Bayou Boeuf to the southwest. The entrance to the Site is latitude 29°39'45" North and longitude 91°07'42" West.

V. SITE BACKGROUND

The Site was initially developed and used by Pelican State Lime to manufacture hydrated and "quick" lime using large, rotary lime kilns. Marine Shale Processors, Inc. (hereinafter "MSP") purchased the facility in 1984 and converted it into a waste processing and treatment facility. MSP initially used the primary rotary lime kiln as an incinerator for non-hazardous oil field wastes. In 1985, MSP began to incinerate hazardous wastes, including a wide variety of organic and inorganic hazardous substances. The hazardous wastes were reduced to an ash which was further processed in oxidizers. MSP used some of this ash to build up and expand the foundation of the Site and stored some of it on the ground, in tanks, and in barges. MSP claimed that its facility was a boiler/industrial furnace facility (hereinafter "BIF") used to recycle incinerated waste residues into construction aggregate. The US Environmental Protection Agency (hereinafter "EPA") disagreed and MSP's BIF permit was denied.

MSP ceased operating the facility in 1996 but left behind storage tanks and bins containing incinerated waste residues and untreated waste, on-site stockpiles of incinerated waste and untreated waste, and fill material composed of incinerated waste material. The State of Louisiana and the United States Department of Justice (hereinafter "DOJ") instituted a civil action to recover response costs. DOJ submitted an expert report providing the following opinions: (1) chemical analysis of the incinerated fill material indicated elevated levels of arsenic and lead; (2) there are two small areas of groundwater contamination containing pentachlorophenol, arsenic, lead, and selenium, one of which is under the concrete pad where wood treatment waste was stored; and (3) unprocessed wastes contain elevated levels of lead, cadmium, other metals, semi-volatile organic compounds, pesticides, and polynuclear aromatic hydrocarbons. Pursuant to a settlement with MSP and Recycling Park Inc., \$7,075,995.00 was deposited into an Escrow Account. A Memorandum of Understanding between DOJ, United States Environmental Protection Agency, Region VI, and LDEQ for the Marine Shale Processors Site, effective March 28, 2008, a copy of which is attached for reference as Appendix "B" (hereinafter "MOU"), sets forth how the funds in the Escrow Account can be spent and on what removal/remedial activities according to priority. LDEQ issued a Phase I work contract to Weston Solutions, Inc. to treat and remove primary ash from thirteen (13) above ground storage tanks that were determined to