

**IN THE SUPERIOR COURT OF THE STATE OF DELAWARE
IN AND FOR NEW CASTLE COUNTY**

IN THE MATTER OF:)

**INTERNATIONAL PETROLUUM
CORPORATION OIL SPILL**)

CIVIL ACTION NO.

**David Small, Acting Secretary,
Department of Natural Resources and
and Environmental Control of the State
of Delaware,**)

**Proceeding Under Sections
9105, 9107, and 9112 of the
Delaware Hazardous Substance
Cleanup 7 Del. C. Chapter 91.**

Petitioner,)

v.)

International Petroleum Corporation)

Respondent.)

CERTIFICATION OF COMPLIANCE WITH 7 DEL. C. CHAPTER 91

I, Kathleen M. Stiller, Manager of the Department of Natural Resources and Environmental Control, Site Investigation and Restoration Branch (“DNREC-SIRB”) of the Division of Air and Waste Management, do hereby certify that, in filing this matter with the Superior Court, DNREC-SIRB has complied with the applicable provisions of the Hazardous Substance Cleanup Act (“HSCA”), 7 Del. C. Chapter 91 and the Regulations Governing Hazardous Substance Cleanup, as follows:

1. DNREC-SIRB notified Respondent, pursuant to 7 Del. C. § 9107 (a), of their potential liability, as a former owner and operator, for a release or an imminent threat of a release of hazardous substances from the oil spill which occurred on July 15, 2006 at International Petroleum Corporation’s facility, located at 505 S. Market Street in Wilmington, adjacent to the Christina River.
2. Respondent and DNREC-SIRB successfully negotiated and signed a Consent

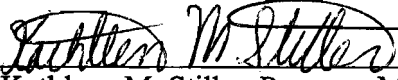
Decree regarding the settlement of liability by International Petroleum Corporation (IPC or Respondent) for natural resource injuries and loss of recreational services resulting from the July 15, 2006 oil spill.

3. On February 1, 2009, DNREC-SIRB advertised a public notice of the signing of the Consent Decree in the News Journal and Delaware State News, newspapers of Statewide circulation, and notified the public that there would be a twenty (20) day comment period as required by 7 Del. C. § 9107 (b). See "Exhibit A" attached hereto.

4. DNREC-SIRB closed the comment period on February 23, 2009, and DNREC-SIRB did not receive any comments or requests for a public hearing, verbal or written, during the comment period.

THEREFORE, DNREC-SIRB has complied with the public notice and comment provisions of 7 Del. C. Chapter 91 and the Delaware Regulations Governing Hazardous Substance Cleanup with respect to the Consent Decree for the resolution of Respondent's liability and the implementation of the Final Plan of the Site.

Date: 2/26/09


Kathleen M. Stiller, Program Manager
Site Investigation and Restoration Branch

EML:
EML09026
DE1445 H3



DNREC-SIRB
LEGAL NOTICE

NOTICE OF A SIGNING OF A CONSENT DECREE FOR NATURAL RESOURCE DAMAGES FOR THE INTERNATIONAL PETROLEUM CORPORATION OIL SPILL (X013)

The Site Investigation and Restoration Branch (SIRB), on behalf of the Department of Natural Resources and Environmental Control (DNREC), is requesting public comment regarding the Consent Decree for the settlement of liability by International Petroleum Corporation (IPC or Respondent) for natural resource injuries and loss of recreational services resulting from the oil spill which occurred on July 15, 2006 at IPC's facility, located at 506 S. Market Street in Wilmington, adjacent to the Christina River. Respondent IPC operated a waste oil recycling business at its facility when an oil spill, which consisted of a release of waste oil petroleum products, occurred at the facility and entered the Christina River affecting approximately 7.2 miles of Christina River shoreline, approximately 1.5 miles of Brandywine River shoreline, and associated natural resources.

This Consent Decree is entered into voluntarily by DNREC and IPC and concerns the settlement of DNREC's natural resource damage (NRD) claims against Respondent, as well as the reimbursement of all past NRD assessment costs for the oil spill which occurred at IPC's Wilmington facility. Under the trusteeship of the State of Delaware, this Consent Decree also includes the reimbursement of NRD assessment costs of federal trustees: the U.S. Fish and Wildlife Service (USFWS) and the National Oceanic and Atmospheric Administration (NOAA).

Under the terms of the Consent Decree, IPC agreed to pay DNREC, into the Hazardous Substance Cleanup Fund, the sum of \$ 194,011.00 for the restoration of natural resources injured or damaged by the oil spill, and will pay for DNREC's past assessment costs. Furthermore, IPC will make payments to USFWS and NOAA for NRD past assessment costs as part of this settlement agreement.

For more site-specific information, please see DNREC-SIRB's superfund site files database at <http://dncs.dnrec.delaware.gov/sirb/sitefiles.cfm>.

A copy of the Consent Decree is available at the following location:

DNREC - SIRB
391 Lukens Drive
New Castle, DE 18720
(302) 395-2600

Pursuant to 7 Del. C. § 9112, the public may request a public hearing regarding the Consent Decree. The public comment period will begin on February 2, 2009 and will close on February 23, 2009.

For additional information, please contact Greg DeCowsky at (302) 395-2600.
2/1-NJ

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**IN THE SUPERIOR COURT OF THE STATE OF DELAWARE
IN AND FOR NEW CASTLE COUNTY**

IN THE MATTER OF:)
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INTERNATIONAL PETROLUUM)
CORPORATION OIL SPILL)
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David Small, Acting Secretary,)
Department of Natural Resources and)
and Environmental Control of the State)
of Delaware,)
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Petitioner,)
v.)
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International Petroleum Corporation)
)
)
Respondent.)

CIVIL ACTION NO.

**Proceeding Under Sections
9105, 9107, and 9112 of the
Delaware Hazardous Substance
Cleanup 7 Del. C. Chapter 91.**

ORDER

NOW THEREFORE, the Court being satisfied that this Consent Decree for the International Petroleum Corporation Site has been properly advertised and a twenty (20) day comment period has been held by the Petitioner, as required by Del. C. § 9107 (b) and §§ 12.1 (1) and (2) of the Delaware Regulations Governing Hazardous Substance Cleanup, that no comments or requests for a public hearing were received by the Petitioner, and the Court being otherwise fully advised in the premises;

IT IS ORDERED, that this Consent Decree is hereby entered in this Court pursuant to Del. C. § 9107 (b), and this Court shall retain jurisdiction over this matter until compliance with all terms and conditions of the Consent Decree is achieved.

Date: _____

Judge

**IN THE SUPERIOR COURT OF THE STATE OF DELAWARE
IN AND FOR NEW CASTLE COUNTY**

IN THE MATTER OF:)	
)	
International Petroleum Corporation Site Wilmington, Delaware)	CIVIL ACTION NO.
)	
)	Proceeding Under Sections
)	9105, 9107, and 9112 of the
)	Delaware Hazardous Substance
John A. Hughes, Secretary, Department of Natural Resources and Environmental Control of the State of Delaware,)	Cleanup Act, 7 <u>Del. C.</u> Chapter 91.
)	
Petitioner,)	
)	
v.)	
)	
International Petroleum Corporation of Delaware,)	
)	
Respondent.)	

CONSENT DECREE

I. INTRODUCTION

1. This Consent Decree ("Decree") is entered into voluntarily by the Delaware Department of Natural Resources and Environmental Control ("DNREC" or "Department") and International Petroleum Corporation of Delaware ("IPC" or "Respondent"). The Consent Decree concerns the settlement of DNREC's natural resource damage ("NRD") claims against Respondent, as well as the reimbursement of all past NRD assessment costs for the oil spill which occurred at IPC's Wilmington, Delaware facility ("facility" or "Site") on July 15, 2006 (the "Oil Spill").

II. JURISDICTION

2. This Consent Decree is entered into pursuant to the authority vested in the Secretary of the Department by the Delaware Hazardous Substance Cleanup Act ("HSCA"), 7 Del. C. Chapter 91, and the Delaware Regulations Governing Hazardous Substance Cleanup ("Regulations").

3. The Respondent agrees to undertake all actions required by the terms and conditions of this Consent Decree. In any action by the Department to enforce the terms of this Consent Decree, Respondent consents to and agrees not to contest the authority or jurisdiction of the Secretary to enter into or enforce this Decree, and agrees not to contest the validity of this Decree or its terms.

III. PARTIES BOUND

4. This Consent Decree shall apply to and be binding upon DNREC, its successors and assigns, and upon the Respondent, its agents, successors, assigns, officers, directors and principals. Respondent is jointly and severally responsible for carrying out all actions required of it by this Consent Decree. The signatories to this Consent Decree certify that they are authorized to execute and legally bind the parties they represent to this Consent Decree. No change in the ownership or corporate status of the Respondent or of the facility or Site shall alter Respondent's responsibilities under this Consent Decree.

5. The Respondent shall provide a copy of this Consent Decree to any subsequent owners or successors before ownership rights or stock or assets in a corporate acquisition are transferred. Respondent shall condition any such contracts upon satisfactory compliance with this Consent Decree. Notwithstanding the terms of any contract, Respondent agrees to remain responsible for compliance with the Consent Decree and for ensuring that its subsidiaries, employees, contractors, consultants, subcontractors, agents and attorneys, as well as subsequent owners or successors, comply with this Consent Decree.

IV. STATEMENT OF PURPOSE

6. In entering into this Consent Decree, the objectives of DNREC and the Respondent are to fully and finally resolve claims by DNREC, the State of Delaware NRD Trustee, against Respondent, IPC for (a) all costs to restore injuries or damages to natural resources related to or arising out of the Oil Spill; and (b) all NRD assessment costs related to or arising out of the Oil Spill.

V. FINDINGS OF FACT

7. The IPC facility is located at 505 S. Market Street in Wilmington, Delaware adjacent to the Christina River.

8. Respondent, IPC, operates a waste oil recycling business at its facility.

9. On July 15, 2006, the Oil Spill, which consisted of a release of waste oil petroleum products, occurred at the facility and entered the Christina River affecting approximately 7.2 miles of Christina River shoreline and approximately 1.5 miles of Brandywine River shoreline.

10. The Oil Spill caused injuries or damages to natural resources under the trusteeship of the State of Delaware.

11. For purposes of this Consent Decree only, Respondent, IPC, as the owner or operator of the facility, does not contest that it is liable for the Oil Spill pursuant to 7 Del. C. Section 9105 (a)(1), and is liable for NRDs caused by the Oil Spill pursuant to 7 Del. C. Section 9105 (b).

VI. CONCLUSIONS OF LAW AND DETERMINATIONS

12. The Site is a “facility” as defined in 7 Del. C. Section 9103(9).

13. Wastes and constituents at the Site which were released during the Oil Spill identified in paragraph 9 are “hazardous substances” as defined in 7 Del. C. Section 9103(11) and the Regulations.

14. The presence of hazardous substances at the Site, or the past, present or potential migration of hazardous substances currently located at or emanating from the Site, constitute actual and/or threatened “releases” as defined in 7 Del. C. Section 9103(20).

15. Respondent is a “person” as defined in 7 Del. C. Section 9103(16).

16. Respondent is a “potentially responsible party” as defined in 7 Del. C. Section 9103(18).

17. The actions required by this Consent Decree are necessary to protect the public health or welfare or the environment, and are consistent with 7 Del. C. Chapter 91, and the Regulations.

VII. DEFINITIONS

18. Unless otherwise expressly stated, the definitions provided in 7 Del. C. Chapter 91, and the Regulations shall control the meaning of terms used in this Consent Decree.

VIII. SCOPE OF CONSENT DECREE

19. The parties agree that Respondent shall perform the following actions pursuant to this Consent Decree:

- A) Pay DNREC an amount of money sufficient to restore injuries or damages to natural resources caused by the Oil Spill, as set out in Section X.
- B) Reimburse NRD assessment costs that are related to or arising out of the Oil Spill, as set out in Section XI.

IX. WORK TO BE PERFORMED

20. All remaining work to restore NRDs caused by the Oil Spill shall be conducted by DNREC at its sole discretion. Respondent shall not be required to perform any such restoration work and shall not have a role in determining how the restoration work is conducted or how the restoration funds are spent, other than as a member of the public. Respondent's obligations under this Consent Decree shall be limited to payment of restoration costs for NRDs caused by the Oil Spill, and reimbursement of NRD assessment costs, as set out in Sections X and XI.

X. PAYMENTS OF NRD RESTORATION COSTS

21. Within thirty (30) days of the effective date of this Consent Decree, Respondent shall pay to DNREC the sum of \$ 194,011.00 for the restoration of natural resources injured or damaged by the Oil Spill. Payment shall be made by certified check payable to DNREC, which will be deposited by DNREC into the Hazardous Substance Cleanup Fund of the Treasury of the State of Delaware.

XI. REIMBURSEMENT OF NRD ASSESSMENT COSTS

22. Respondent shall reimburse NRD Assessment costs as follows:

- a. Within thirty (30) days of the effective date of this Consent Decree, Respondent shall pay to DNREC the sum of \$ 5,899.24 which sum constitutes reimbursement of the NRD assessment costs relating to the Oil Spill incurred by DNREC prior to the effective date of this Consent Decree. Payment shall be made by certified check payable to DNREC which will be deposited by DNREC in the Hazardous Substance Cleanup Fund of the Treasury of the State of Delaware.
- b. Within thirty (30) days of the effective date of this Consent Decree, and in accordance with the letters Respondent has received from the federal NRD Trustees, U.S. Fish and Wildlife Service ("USFWS") and the National Oceanic and Atmospheric Administration ("NOAA"), confirming their concurrence with this Consent Decree and their intention not to take any further action against Respondent for NRDs related to the Oil Spill provided that Respondent complies with the Consent Decree and reimburses the Trustees' respective NRD assessment costs relating to the Oil Spill, Respondent shall pay the federal NRD Trustees' assessment costs as follows:
 - i. USFWS: Pay the sum of \$ 7,906.65 in accordance with payment instructions in USFWS's letter to Respondent.
 - ii. NOAA: Pay the sum of \$ 44,406.18 in accordance with payment instructions in NOAA's letter to Respondent.

XII. RESERVATIONS OF RIGHTS AND REIMBURSEMENT OF OTHER COSTS

23. DNREC reserves the right to bring an action against the Respondent under 7 Del. C. Section 9109 for recovery of all response costs, including oversight costs, incurred by DNREC at the Site that are not reimbursed by the Respondent and not related to the Oil Spill.

24. DNREC reserves the right to bring an action against Respondent to enforce the provisions of this Consent Decree, including, but not limited to, the provisions requiring Respondent to pay NRD restoration costs and to reimburse NRD assessment costs.

25. Except as expressly provided in this Consent Decree, each party reserves all rights and defenses it may have. Nothing in this Consent Decree shall affect DNREC's removal authority or DNREC's response or enforcement authorities including, but not limited to, the right to seek injunctive relief, stipulated penalties, and/or statutory penalties for matters other than the Oil Spill.

26. Following satisfaction of the requirements of this Consent Decree, Respondent shall have resolved its liability to DNREC for NRD claims for injuries or damages to natural resources arising out of or related to the Oil Spill. Respondent is not released from liability, if any, for any releases of hazardous substances at the Site not arising out of or related to the Oil Spill.

XIV. OTHER CLAIMS

27. Nothing herein is intended to bar or release any claims, causes of action, or demands in law or equity by or against any person, firm, partnership, or corporation not a signatory to this Consent Decree for any liability it may have arising out of or relating in any way to the generation, storage, treatment, handling, transportation, disposal or release of any hazardous substances at, to, or from the Site.

XV. RECORDS PRESERVATION

28. All records and documents in Respondent's possession that relate in any way to the Oil Spill shall be preserved during the conduct of this Consent Decree and for a minimum of ten (10) years after commencement of construction of any remedial action. The Respondent shall acquire and retain copies of all documents that relate to the Oil Spill and are in the possession of its employees, agents, accountants, contractors, or attorneys. After this ten (10) year period, the Respondent shall notify DNREC at least (90) days before the documents are scheduled to be destroyed. If DNREC requests that the documents be saved, the Respondent shall, at no cost to DNREC, give DNREC the documents or copies of the documents.

XVI. ENFORCEABILITY

29. The terms of this Consent Decree shall be legally enforceable by any party in a court of appropriate jurisdiction.

XVII. AMENDMENT OF CONSENT DECREE

30. This Consent Decree may be amended by mutual agreement of DNREC and Respondent. Amendments shall be in writing and shall be effective when signed by DNREC.

XVIII. TERMINATION

31. The provisions of this Consent Decree shall be deemed satisfied and terminated upon receipt by Respondent of written notice from the DNREC Secretary that Respondent has demonstrated, to the satisfaction of DNREC, that all the terms of this Consent Decree have been completed. Upon satisfactory completion of the terms of this Consent Decree, DNREC shall file with the Superior Court a Stipulation of Dismissal of this action.

XIX. EFFECTIVE DATE

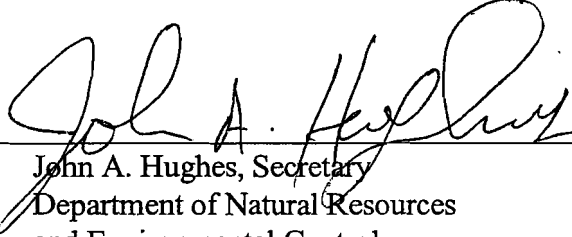
32. This Consent Decree is effective on the date that it is entered by the Superior Court.

XX. COUNTERPARTS

33. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

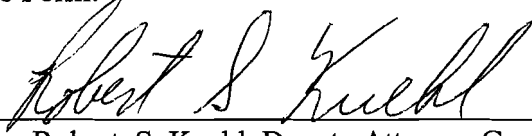
SIGNATURE PAGE FOLLOWS

DELAWARE DEPARTMENT OF NATURAL
RESOURCES & ENVIROMENTAL CONTROL

BY: 
John A. Hughes, Secretary
Department of Natural Resources
and Environmental Control

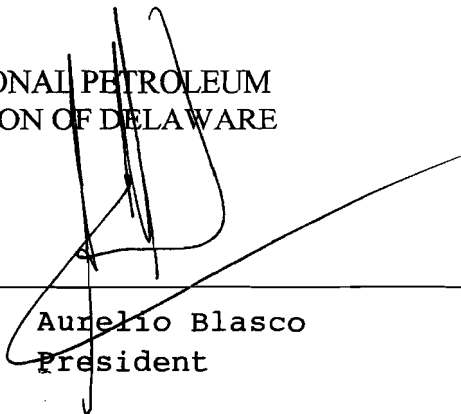
DATE: 10/29/08

As To Form:

BY: 
Robert. S. Kuehl, Deputy Attorney General
Delaware Department of Justice

DATE: 11/20/08

INTERNATIONAL PETROLEUM
CORPORATION OF DELAWARE

BY: 
Name: Aurelio Blasco
Title: President

DATE: 07/13/09

BY: 
Name: W. Harding Drane, Jr.
Attorney for Respondent

DATE: 1/00/2009

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