

EXHIBIT 119

MAXUS

April 10, 1989

FEDERAL EXPRESS

John R. Wheeler, Esq.
Assistant General Counsel
Occidental Chemical Corporation
360 Rainbow Boulevard South
P. O. Box 728
Niagara Falls, New York 14302

Re: **Newark Site Cleanup**
Letters of Credit

Dear John:

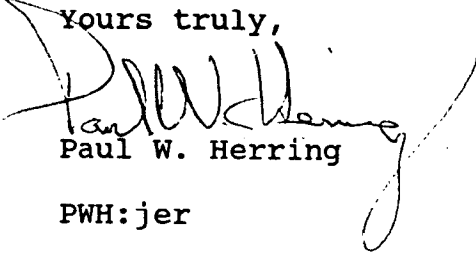
As we discussed by telephone today, I am enclosing a copy of two (2) Trust Agreements, together with their related Letters of Credit and Administrative Consent Orders ("ACO's"). The \$12 million Trust Agreement derives from paragraph 16 of its related ACO; and the \$4 million Trust Agreement derives from paragraph 8 of its related ACO. You will note that these instruments, while originally effective as to Diamond Shamrock Chemicals Company ("DSCC" now Occidental), have been amended subsequent to the September 4, 1986 closing to be carried by Chemical Land Holdings, Inc. The State of New Jersey, however, has never released DSCC from its obligation to carry these Letters of Credit.

We are in the final stages of negotiations on behalf of Occidental with U. S. EPA and the State on a Judicial Consent Decree to address cleanup of the site. That Decree will require Occidental to maintain these \$12 million and \$4 million Letters of Credit, or some equivalent. While we are hopeful that the Decree will supersede the ACO's, the State is very sensitive to strict adherence to the ACO's pending entry of the Decree. We are at the anniversary dates of both Letters of Credit, which is a convenient time to clear the record on this financial assurance issue and eliminate any points of contention that we can. Accordingly, Occidental (being obligated as DSCC's successor) must obtain the \$12 million and \$4 million Letters of Credit, and reaffirm the DSCC Trust Agreements, in compliance with the ACO's.

The above process may be simplified if Occidental is in a position to use the same financial institution which is presently carrying these items: NCNB Texas National Bank (formerly RepublicBank Dallas, formerly InterFirst Bank Dallas). Otherwise, entirely new documentation may be required. In any event, this must be accomplished prior to expiration of the current \$4 million Letter of Credit on May 2, 1989.

Thank you for your prompt attention to this. I will be glad to assist you in preparation of any of the necessary documents in these regards.

Yours truly,



Paul W. Herring

PWH:jer

Enclosures

cc: J. Alan Mack, Esq. - Occidental
w/Enclosures via Express Mail

Michael J. Rudick, Esq. - Occidental
w/Enclosures via Express Mail