

EXHIBIT 55

*Newark
1984 ACO II
ACO II*



File
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State of New Jersey
DEPARTMENT OF ENVIRONMENTAL PROTECTION
OFFICE OF REGULATORY SERVICES
CN 402
TRENTON, N.J. 08625
609 - 292 - 2906

DIAMOND SHAMROCK CORPORATION
Health & Environmental Affairs

MICHAEL F. CATANIA
DIRECTOR

*file: Newark site
[ACO II
(offsite)]*
GERARD BURKE
DEPUTY DIRECTOR

December 24, 1984

Mr. William C. Hutton
Corporate Director
Health & Environmental Affairs
Diamond Shamrock Corporation
World Headquarters
717 North Harwood Street
Dallas, TX 75201

Re: In the Matter of
Diamond Shamrock Chemicals Company

Dear Mr. Hutton:

Enclosed please find a copy of the Administrative Consent Order as executed by Diamond Shamrock Chemicals Company, Commissioner Hughey and Robert Hunt. Upon execution of the Order by the other parties, we will send you a fully executed original.

Sincerely,

Gerard Burke
Gerard Burke
Deputy Director

Enclosure



STATE OF NEW JERSEY
 DEPARTMENT OF ENVIRONMENTAL PROTECTION
 ROBERT E. HUGHEY, COMMISSIONER
 CN 402
 TRENTON, N.J. 08625
 609 - 292 - 2885

IN THE MATTER OF : ADMINISTRATIVE
 DIAMOND SHAMROCK CHEMICALS : CONSENT ORDER
 COMPANY :

The following FINDINGS are made and ORDER is issued pursuant to the authority vested in the Commissioner of the New Jersey Department of Environmental Protection (hereinafter "the Department") by Executive Orders No. 40 and 40 D, signed by Governor Thomas H. Kean on June 2, 1983 and October 12, 1983, respectively; N.J.S.A. App. A:9-45; N.J.S.A. 13:1D-1 et seq.; the Solid Waste Management Act, N.J.S.A. 13:1E-1 et seq., the Water Pollution Control Act, N.J.S.A. 58:10A-1 et seq., and the Spill Compensation and Control Act, N.J.S.A. 58:10-23.11 et seq.,

FINDINGS

1. On March 13, 1984, the Department and the Diamond Shamrock Chemicals Company (hereinafter "the Company") executed an Administrative Consent Order with respect to the identification and cleanup, by the Company, of dioxin and other chemicals at 80 Lister Avenue in the City of Newark, New Jersey, which Administrative Consent Order (hereinafter "ACO I") is hereby incorporated by reference and made a part hereof, as if set forth at length herein.
2. Since the execution of ACO I, the Department, in consultation with the United States Environmental Protection Agency, has determined that additional remedial action is required at certain specific sites in the City of Newark.
3. In order to identify the specific sites requiring remediation, to determine the extent thereof and to identify the order in which this work should be undertaken, the Department, in consultation with the United States Environmental Protection Agency and the Company, has prepared a Scope of Work for the Newark

area (hereinafter "Scope of Work") which is attached hereto as Exhibit A.

4. The Company has agreed to implement, subject to the supervision and approval of the Department, this Scope of Work. Therefore, based on the information available to the parties on the effective date hereof, and without admission by the Company of any liability or of any issues of fact or law, the Department and the Company have agreed to execute this Order.

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED AND AGREED THAT:

5. The Company shall implement, entirely at its own expense, the Scope of Work. Unless otherwise specifically provided herein, or unless additional time is approved, in writing, by the Department, all activities required by the Scope of Work shall be completed within one hundred eighty (180) days of the final approval, by the Department, of the work plan. On or before December 31, 1984, the Company shall submit to the Department, for its review and approval, a work plan detailing the proposed method and time schedule for implementing the Scope of Work. The Department shall review the work plan and transmit its comments thereon to the Company on or before January 4, 1985. Within fifteen (15) days of the receipt of the Department's comments on the work plan, the Company shall modify the plan as necessary to conform with said comments and submit the modified plan to the Department. After receiving the Department's approval of the modified work plan, the Company shall implement that plan in accordance with the various deadlines contained therein.

The Company shall address the alternatives for the removal or containment, at the Company's expense, of all materials stored at 120 Lister Avenue pursuant to the Scope of Work as part of the feasibility study to be conducted pursuant to paragraph 9 of ACO I. The remedial action plan prepared pursuant to paragraph 10 of ACO I shall also address the removal or containment of such materials. Subsequent to the Department's approval of that remedial action plan, the Company shall implement the additional portion of the approved plan applicable to the removal or containment of such materials.

6. Within five (5) days of the effective date of this Order, the Company shall appoint a Facility Coordinator who shall be responsible for overseeing the implementation of this Order and the activities required herein, subject to the supervision and approval of the Department.
7. The Company shall make its best efforts to provide that the insurance coverage detailed in paragraph 15 of ACO I, including the coverage of the State of New Jersey as an additional insured, is applicable to the complete implementation of the provisions of this Order. To the extent that the Company is unable to provide that such coverage so extends to the provisions of this Order, the Company shall indemnify the State to the same extent that said coverage would have provided the State as an additional insured.
8. Within thirty (30) days of the effective date of this Order, the Company shall increase the irrevocable letter of credit required by paragraph 16 of ACO I by the amount of \$4 million to secure performance of all obligations under this Order. The provisions of paragraph 16 of ACO I shall continue in full force and effect with respect to this increased amount.
9. Within thirty (30) days of the effective date of this Order, the Company shall issue a certified check to the Spill Compensation Fund in the amount of \$200,000.00, and a certified check to the Department, or to the Spill Compensation Fund, as directed by the Department, in the amount of \$125,000.00. Payment of the sum to the Spill Compensation Fund shall represent reimbursement of that Fund and full satisfaction for all amounts paid thereby as of the effective date of this Order as a result of the Department's investigation and remediation of dioxin and other chemicals in the Newark area; payment of the second sum to the Department, or the Spill Compensation Fund, shall represent reimbursement and full satisfaction for all expenses otherwise incurred by the Department as of the effective date of this Order in its investigation and remediation of dioxin and other chemicals in the Newark area. Nothing herein shall be construed to prohibit the Spill Compensation Fund from presenting the Company with any claim or action for reimbursement for expenditures incurred after the effective date of this Order.

Within one hundred eighty (180) days of the effective date of this Order, the Company shall issue a certified check to the Department, or to the Spill Compensation Fund, as directed by the Department, in an

amount not to exceed \$175,000.00, which sum shall cover expenses incurred by the Department in monitoring the implementation of this Order in the 180 days following the effective date hereof. Prior to the issuance of this check, the Department shall provide the Company with an itemized accounting of all expenses incurred up to \$175,000.00. Of this amount, a sum not to exceed \$50,000.00 shall be utilized to cover sampling and analytical costs incurred by the Department in monitoring the implementation of this Order during that 180 day period, and a sum not to exceed \$125,000.00 shall be utilized to cover other costs incurred for such purpose during that period. Nothing herein shall be construed to prohibit the Department from presenting the Company with any claim for reimbursement for expenses incurred in monitoring the implementation of this Order subsequent to such 180 day period.

10. If any event occurs which purportedly causes or may cause delays in the achievement of any deadline contained in this Administrative Consent Order, the Company shall notify the Department in writing within ten (10) days of the delay or anticipated delay, as appropriate, describing the anticipated length, precise cause or causes, measures taken or to be taken and the time required to minimize the delay. The Company shall adopt all necessary measures to prevent or minimize delay.
11. If any delay or anticipated delay has been or will be caused by fire, flood, riot, strike or other circumstances alleged to be beyond the control of the Company, then the time for performance hereunder may be extended by the Department for a period no longer than the delay resulting from such circumstances, or 15 days whichever is shorter, provided that the Department may grant additional extensions for good cause. If the events causing such delay are not found to be beyond the control of the Company, failure to comply with the provisions of this Administrative Consent Order shall constitute a breach of the Order's requirements. The burden of proving that any delay is caused by circumstances beyond the Company's control and the length of such delay attributable to those circumstances shall rest with the Company. Increases in the costs or expenses incurred in fulfilling the requirements contained herein shall not be a basis for an extension of time. Similarly, delay in completing an interim requirement shall not automatically justify or excuse delay in the attainment of subsequent requirements.

12. No obligations imposed by this Order are intended to constitute an obligation which could be limited or discharged in a bankruptcy proceeding. All obligations imposed by this Order shall constitute continuing regulatory obligations imposed pursuant to the police powers of the State of New Jersey, intended to protect the public health, safety and welfare.
13. The provisions of this Order shall be binding upon the Company and its independent agents, successors, assigns, and any trustee in bankruptcy or receiver appointed pursuant to a proceeding in law or equity.
14. This Order shall take effect upon the signature of the Company, the Administrator of the Spill Fund, and the Commissioner.

RESERVATION OF RIGHTS

This Administrative Consent Order shall be fully enforceable in the New Jersey Superior Court upon the filing of a summary action for compliance pursuant to Executive Order No. 40 (1983), signed by Governor Thomas H. Kean on June 2, 1983; Executive Order No. 40D (1983), signed by Governor Thomas H. Kean on October 12, 1983; N.J.S.A. App. A:9-45; N.J.S.A. 13:1D-1 et seq., the Solid Waste Management Act, N.J.S.A. 13:1E-1 et seq., the Water Pollution Control Act, N.J.S.A. 58:10A-1 et seq., and the Spill Compensation and Control Act, N.J.S.A. 58:10-23.11 et seq.. This Consent Order may be enforced in the same manner as an Administrative Order issued by the Department pursuant to these same statutory authorities and shall not preclude the Department from taking whatever action it deems appropriate to enforce the environmental protection laws of the State of New Jersey in any manner not inconsistent with the terms of this Order; provided, however, that upon the Company's satisfactory compliance with the provisions of this Order, including the complete performance of the Scope of Work with respect to 120 Lister Avenue, the Department shall not require the Company to undertake additional remedial work at 120 Lister Avenue with respect to the presence, as actually known to the Department as of the effective date of this Order, of dioxin (2,3,7,8 - TCDD), or other chemicals, or the chemicals listed in Appendix B; and provided further, however, that upon the Company's satisfactory compliance with the provisions of this Order, including the complete performance of the Scope of Work with respect to each other individual site listed therein, the Department shall not require the Company to undertake additional remedial work at any such site where such compliance and performance has occurred, with respect to the presence, as actually known to the Department as of the

effective date of this Order of dioxin (2,3,7,8 - TCDD) or the chemicals listed in Appendix B.

Date: 12/20/84

Diamond Shamrock Chemicals Company

By: [Signature]

James F. Kelley
Vice-President

Date: 12/20/84

Witness: [Signature]
Assistant Corporate Secretary

Date: 12/21/84

New Jersey Department of Environmental Protection

By: [Signature]
Robert E. Hughey, Commissioner

Date: 12/21/84

By: [Signature]
Robert Hunt, Spill Fund Administrator

By their execution hereof, the following parties hereby consent to the undertaking, by the Company, of those remedial actions specified in the Scope of Work, and hereby grant access to their respective properties in the Newark area to the Company, so that it may plan and implement those actions, to the Department, so that it may supervise those actions and otherwise monitor compliance with the terms of this Order, and to the United States Environmental Protection Agency.

Marisol, Inc.

Date: _____

By: _____
Peter Nerger
President

Date: _____

Witness: _____
Corporate Secretary