

OXY Inc.

Z. Melissa Hunt
Vice President and General Counsel

June 18, 2008

Thomas E. Starnes, Esq.
Andrews & Kurth, LLP
1350 I Street, NW, Suite 1100
Washington D.C. 20005

Re: Diamond Alkali Superfund Site/Lower Passaic River Proposed Administrative Settlement Agreement and Order on Consent for Removal Action ("AOC")

Dear Tom:

This letter constitutes the side agreement under which OxyChem is willing to sign the AOC to facilitate Maxus' and Tierra's proposed resolution with the U.S. Environmental Protection Agency ("EPA"). This letter agreement is not, however, an amendment or modification of the 1986 Stock Purchase Agreement.

Please have the appropriate persons at Maxus and Tierra sign this letter acknowledging the following:

- Maxus Energy Corporation and Tierra Solutions Inc. have negotiated with the EPA a draft Administrative Settlement Agreement and Order on Consent for Removal Action ("AOC"), that is in near final form. A current draft has been provided to OxyChem. Maxus and Tierra believe that the AOC is reasonable and appropriate and, therefore, have asked OxyChem to execute the AOC.
- Maxus accepts and confirms without qualification its obligation to defend and indemnify OxyChem with respect to this AOC and to perform any and all of the obligations required thereunder.
- While OxyChem will be a named Respondent under the AOC, Maxus and Tierra will incur the financial and other burdens under the AOC. With respect to the financial assurance provisions contained in any final AOC, Maxus agrees to provide, at Maxus' sole expense, a corporate guarantee or other financial assurance mechanism that complies with the requirements of the financial assurance provisions contained therein.



OXY Inc.
Occidental Tower
5005 LBJ Freeway, Dallas, TX 75244-6119
P.O. Box 809050, Dallas, TX 75350-9050
972/404-4918 FAX: 972/404-3847
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In any event, the financial assurances required by the AOC must be funded by Maxus, not OxyChem.

- The AOC imposes on the Respondents an obligation to indemnify certain entities from negligent or wrongful acts of Respondents, their officers, directors, employees, agents, contractors, or subcontractors, in carrying out actions pursuant to the AOC. Maxus and Tierra specifically acknowledge that they, not OxyChem, are responsible for this indemnification obligation.
- Maxus and Tierra acknowledge that neither OxyChem nor its affiliate nor parent companies are bound by the findings of fact, conclusions of law, and determinations in Sections IV and V of the draft AOC or similar provisions of the final AOC. Nor do the general provisions, findings of fact, conclusions of law and determinations in Sections I, IV and V constitute a waiver of the positions that OxyChem, Maxus and Tierra have taken or may take in the suit styled *New Jersey Department of Environmental Protection, et al. v. Occidental Chemical Corporation, et al.*, Superior Court of New Jersey law Division—Essex County, Docket No.: L-009868-05, or in any future claims, disputes or litigation.
- Maxus and Tierra acknowledge that OxyChem's willingness to sign the final AOC, although Maxus will not do so and Tierra will sign in a limited capacity, does not constitute a waiver of the positions that OxyChem has taken or may take in the suit styled *New Jersey Department of Environmental Protection, et al. v. Occidental Chemical Corporation, et al.*, Superior Court of New Jersey law Division—Essex County, Docket No.: L-009868-05, or in any future claims, disputes or litigation.
- Maxus and Tierra acknowledge that, by signing the final AOC, OxyChem is doing so without prejudice to its rights under the 1986 Stock Purchase Agreement including, without limitation, Articles 9 and 12.11, and without prejudice to its right to bring any claims, whether in tort or contract, at law or in equity, that OxyChem has or may have against Maxus, Tierra or their affiliate or parent corporations.

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- If Maxus and Tierra issue a press release or make any other public statements or comments regarding the AOC, then they agree to include language which reflects that Maxus and Tierra have negotiated the AOC and that they will perform the work required under the AOC.

Best regards,



Melissa Hint

Acknowledged and Agreed To:

Maxus Energy Corporation

By: 

Tierra Solutions Inc.

Date: 6/19/08

By: _____

Date: _____

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- If Maxus and Tierra issue a press release or make any other public statements or comments regarding the AOC, then they agree to include language which reflects that Maxus and Tierra have negotiated the AOC and that they will perform the work required under the AOC.

Best regards,



Melissa Hunt

Acknowledged and Agreed To:

Maxus Energy Corporation

By: _____

Date: _____

Tierra Solutions Inc.

By:  _____

Date: 6/17/08