

OCCIDENTAL ELECTROCHEMICALS CORPORATION

July 10, 1987

Maxus Energy Corporation
717 North Harwood Street
Dallas, Texas 75201

Attention: W. E. Notestine

Gentlemen:

Reference is made to a certain Supplemental Administrative Consent Order dealing, in part, with research related to property at 80 Lister Avenue, Newark, New Jersey, and to the potential biological and environmental impacts of dioxin, as such Supplemental Administrative Consent Order is proposed for signature by the New Jersey Department of Environmental Protection, and as attached hereto (without appendices) as Attachment 1 (hereinafter the "Order").

Maxus Energy Corporation, as part of its ongoing efforts to achieve resolution of environmental matters at the former Newark plant site, has negotiated the Order with the New Jersey DEP and Maxus has requested that Occidental Electrochemicals Corporation, formerly named Diamond Shamrock Chemicals Company (hereinafter "OEC") execute the Order in the form attached as Attachment 1.

OEC agrees to execute the Order, in consideration of the following agreements between OEC and Maxus:

1. The Newark plant site is an "inactive site" as defined in Subsection 9.03 (a) (iv) of the Stock Purchase Agreement dated September 4, 1986, related to the sale of the stock of OEC (the "Agreement"), and, as such, is a subject of the indemnification provisions of Section 9.03 of the Agreement. Maxus is defending matters associated with the Newark plant site in accordance with Section 9.04 of the Agreement.
2. Any claim of any nature made or arising against OEC as a result of the entry of OEC into the Order, or arising from the performance of the work to be performed pursuant to the Order shall be subject to the indemnification of OEC by Maxus pursuant to Section 9.03 of the Agreement, and shall be defended by Maxus pursuant to Section 9.04 of the Agreement.
3. Any and all costs associated with compliance with the Order, including, but not limited to, the payments referred to in Paragraphs 6 and 7 of the Order, shall be disbursed directly by Maxus on behalf of OEC. Maxus shall obtain the letter of credit referred

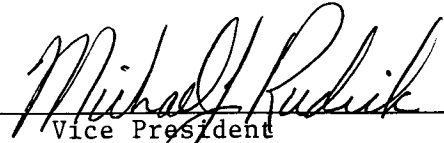
to in subparagraph 6 (b) of the Order against the credit of Maxus, rather than OEC, and all fees, costs, guarantees, or other commitments necessary to be made in connection with the obtaining of such letter of credit shall be made directly by Maxus and not by OEC. A copy of the letter of credit will be provided to OEC simultaneously with its delivery to the New Jersey DEP.

If the above conforms to the understandings of your company, would you please so indicate in the space provided below on the copy of this letter and return it to the undersigned. Thank you.

Very truly yours,

OCCIDENTAL ELECTROCHEMICALS CORPORATION

By: _____



Vice President

Michael J. Rudick

AGREED:

MAXUS ENERGY CORPORATION

By: _____



Vice President &

Title: Deputy General Counsel

Date: July 16, 1987

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