John Michael P. McThomas, Esq.

### MICHAEL P. MCTHOMAS, PLLC

One Lee Hill Road

Andover, NJ 07821

Tel.: 973-691-4711

Fax: 973-368-1022

Attorney for Third-Party Defendants McKesson Corporation, McKesson Envirosystems Inc., and Safety-Kleen Envirosystems, Inc.

John D. Edgcomb (pro hac vice) Marylin Jenkins (pro hac vice)

### EDGCOMB LAW GROUP

115 Sansome Street

Suite 700

San Francisco CA 94104

Tel: 415-399-1993 Fax: 415-399-1885

Attorney for Third-Party Defendants McKesson Corporation, McKesson Envirosystems Inc.,

NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION and THE ADMINISTRATOR OF THE NEW JERSEY SPILL COMPENSATION FUND,

Plaintiffs,

٧.

OCCIDENTAL CHEMICAL CORPORATION, TIERRA SOLUTIONS, INC., MAXUS ENERGY CORPORATION, REPSOL YPF, S.A., YPF, S.A., YPF HOLDINGS, INC. and CLH HOLDINGS, INC.,

Defendants.

MAXUS ENERGY CORPORATION and TIERRA SOLUTIONS, INC.,

Third-Party Plaintiffs,

VS.

3M COMPANY, et al.,

Third-Party Defendants.

SUPERIOR COURT OF NEW JERSEY LAW DIVISION: ESSEX COUNTY

DOCKET NO. L-9868-05 (PASR)

CIVIL ACTION

SUPPLEMENTAL THIRD-PARTY DISCLOSURE

Come now Third-Party Defendants McKesson Corporation, McKesson Envirosystems Inc., and Safety-Kleen Envirosystems, Inc. (collectively "Respondent") and for their Supplement to Initial Disclosures provides the following specific information:

#### Reservations and Comments

1. Respondent reserves the right to object to the production of any documents or other information on any ground, including relevance and undue burden, and to assert any applicable privilege, including the attorney-client privilege, the work product

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doctrine, the common interest/joint defense doctrine, confidentiality, trade secret, State and Federal Homeland Security confidentiality and any other applicable protection. These disclosures are not intended to prejudice or waive any privileges or objections Respondent may have with respect to any outstanding or subsequent requests for discovery.

- 2. Respondent's investigation in this matter is continuing. Accordingly, it reserves the right to supplement, clarify, and revise these disclosures to the extent additional information becomes available or is obtained through discovery. Further, Respondent reserves the right to amend these disclosures to the extent the claims brought by or alleged against Respondent in this litigation are amended.
- 3. The time period covered by the allegations in the Plaintiffs' Third Amended Complaint and in Defendants' Third Party Complaint D, in which Respondent is named as a Third Party Defendant, encompasses at least six decades of multiple successive and concurrent ownerships of Respondent's property. The geographic scope of the Third Amended Complaint and Third Party Complaint D is also extremely broad, covering the 'Newark Bay Complex,' which spans the 'lower 17 miles of the Passaic River, Newark Bay, the lower reaches of the Hackensack River, the Arthur Kill, the Kill van Kull, and into adjacent waters and sediments.' Third Amended Complaint, ¶ 1. The scope of inquiry required by Plaintiffs and Third-Party Plaintiffs is accordingly overly broad and potentially unreasonably burdensome. Respondent is therefore engaged in a continuing investigation and reserves the right to supplement and modify these disclosures.
  - 4. Respondent's Supplemental Disclosure is made in accordance with the

### following definitions:

- a. "Documents", excluding electronic e-mail, shall have the meaning set forth in this Court's August 11, 2009 Order for Preservation of Documents and Data.
- b. "Alleged Discharges" shall have the meaning set forth in the Court's CMO VIII.
- c. "Sites", per CMO VIII, shall be defined as those site(s) or properties with which a Third-Party Defendant is associated in a Third-Party Complaint.
- 5. Document Production requirements set forth in CMO XII, paragraph 21 (as amended by the Consent Order ("Amended Production Requirements") are read in concert with CMO VIII, paragraph 3 and CMO V, paragraph 8 ("Additional Discharger") incorporated by reference in CMO XII, paragraph (1). The Amended Production Requirements are answered with reference to the Alleged Discharges as defined in CMO VIII. To the extent requirements set forth in Amended Production Requirements are repetitive, burdensome and/or unfairly place a duty of inquiry on Third-Party Defendants as to the Newark Bay Complex locations other than the Sites, disclosures herein are provided with reference to the Amended Production Requirements and CMO XII paragraph 21(c) unless otherwise noted. With respect to Amended Production Requirements as to CMO XII, paragraph 21(b), reference is made to information previously furnished by the JDG in connection with CMO V, paragraph 8 ("Additional Dischargers").
  - 8. Documents subject to claims of privilege will be detailed in a log to be

furnished in accordance with the August 11, 2009 "Agreed Order Regarding Documents Withheld from Production" as appended to CMO VIII, and provided under the Amended Production Requirements. If any privileged documents are inadvertently produced to you, we hereby advise you that such documents should be immediately returned to us without review by you, and that no assertion of privileged shall be waived by such inadvertent production and Respondent reserves the right to retrieve any such inadvertently produced document from this production without having waived its privilege or right to protection over that document.

# <u>Production as to Paragraph 21(c) Requests as Amended by the Amended Production Requirements</u>

- 1. A copy of all Documents relating to the following information for the site(s), properties and/or operations with which the Third-Party Defendant is associated in the Third-Party Complaints:
- i. the release or discharge of Hazardous Materials from or at that Third Party Defendant's properties or operations.
- Response Documents responsive to this request, to the extent available, are on the enclosed discs, subject to the exceptions set forth in CMO VIII enumerated below or as provided under the Amended Production Requirements.
- ii. the operations, manufacturing and/or production processes, any Hazardous Materials stored or utilized on the property, and any sampling that took place on the property and any sampling or testing of the materials, by products or waste products used in connection therewith;
- Response Respondent limits its response to those documents in accordance with the Amended Production Requirements. Responsive Documents to this request, to the extent available, are on the enclosed discs, subject to the exceptions set forth in CMO VIII enumerated below or as provided under the Amended Production Requirements.
- iii. sampling results from environmental, chemical, or biological testing conducted at that Third Party Defendant's properties; and
- Response Respondent limits its response to those documents as to the Alleged Discharges. Documents responsive to this request, to the extent available, are on the

enclosed discs, subject to the exceptions set forth in CMO VIII enumerated below or as provided under the Amended Production Requirements.

- iv. any communications involving that Third-Party Defendant and any branch, department, agency or instrumentality of municipal, State or federal government relating to any discharges or releases of Hazardous Materials or this litigation.
- Response Documents responsive to this request, to the extent available, are on the enclosed discs, subject to the exceptions set forth in CMO VIII enumerated below and as to the Alleged Discharges or as provided under the Amended Production Requirements.
- 2. Any Documents relating to any industrial waste containing Hazardous Materials that was transported to, processed or treated at, or discharged from any of the sites and/or properties with which a Third Party Defendant is associated in the Third Party Complaints.
- Response Documents responsive to this request as to the Alleged Discharge, to the extent available, are on the enclosed discs, subject to the exceptions set forth in CMO VIII enumerated below or as provided under the Amended Production Requirements.
- c. Any insurance or indemnity agreement under which another person or entity may be liable to satisfy all or part of a possible judgment in this action or to indemnify or reimburse for payments made to satisfy said judgment.

Response – Respondent has no documents responsive to this request.

## <u>Production as to Paragraph 21(b) Requests as Amended by the Amended Production Requirements</u>

Copies of all non-privileged Documents other than electronic email discovery, that relate to

(i.) the alleged discharge of any hazardous wastes, hazardous substances, pollutants or contaminants ("Hazardous Materials") to the Newark Bay Complex;

Response: Documents responsive to this request as to the Alleged Discharge, to the extent available, are on the enclosed discs, subject to the exceptions set forth in CMO VIII enumerated below or as provided under the Amended Production Requirements.

(ii.) the potential pathways and methods by which the Hazardous Materials have been released to the Newark Bay Complex, as well as the quantity, nature and toxicity of such Hazardous Materials; Response: Documents responsive to this request as to the Alleged Discharge, to the extent available, are on the enclosed discs, subject to the exceptions set forth in CMO VIII enumerated below or as provided under the Amended Production Requirements.

(iii.) other actions relating to properties or operations that may have adversely impacted the environmental condition of the Newark Bay Complex

**Response**: Documents responsive to this request as to the Alleged Discharge, to the extent available, are on the enclosed discs, subject to the exceptions set forth in CMO VIII enumerated below or as provided under the Amended Production Requirements.

(iv.) the costs and damages costs and damages sought in connection with any alleged discharge of Hazardous Materials.

Response: Documents responsive to this request as to the Alleged Discharge, to the extent available, are on the enclosed discs, subject to the exceptions set forth in CMO VIII enumerated below or as provided under the Amended Production Requirements. Respondent further notes that all cross-claims and counterclaims and Fourth-Party claims are stayed in the present action, and therefore, it has made no such claim against parties in this action at this time.

Dated: 02/14, 2011

Respectfully submitted,

### MICHAEL P. MCTHOMAS, PLLC

Attorney for Third-Party Defendants McKesson Corporation, McKesson Envirosystems Inc., and Safety-Kleen Envirosystems, Inc.

Michael P. McThomas, Esq.

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Mary in Jenkins, Esq.