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# **Attorneys for Defendants**

YPF Holdings, Inc. and CLH Holdings, Inc.

NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION, THE COMMISSIONER OF THE 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,

Defendants.

SUPERIOR COURT OF NEW JERSEY LAW DIVISION -ESSEX COUNTY

DOCKET NO. ESX-L-9868-05

ANSWER OF DEFENDANTS
YPF HOLDINGS, INC. AND
CLH HOLDINGS, INC. TO
CROSS-CLAIMS OF
DEFENDANT OCCIDENTAL
CHEMICAL CORPORATION

Defendants YPF Holdings, Inc. ("YPFH") and CLH Holdings, Inc. ("CLHH"), by and through their counsel, submit the following Answer and Defenses to the Cross-Claims of

Defendant Occidental Chemical Corporation ("OCC"). In submitting their Answer and Defenses, YPFH and CLHH do not waive, and continue to assert, their defense and argument that this Court lacks personal jurisdiction over them.

- 1. In response to paragraph 1 of OCC's Cross-Claims, YPFH and CLHH admit that, on April 15, 2008, Plaintiffs filed a Second Amended Complaint against OCC, Tierra Solutions, Inc. ("Tierra"), Maxus Energy Corporation ("Maxus"), Repsol YPF, S.A. ("Repsol"), YPF, S.A. ("YPF"), YPFH, and CLHH. YPFH and CLHH state that Plaintiffs' Second Amended Complaint contains only such words as stated therein. YPFH and CLHH deny that they do business in New Jersey, or are subject to the specific or general jurisdiction of the State. YPFH and CLHH deny that OCC is entitled to any relief in this action, and deny any remaining allegations in this paragraph.
- 2. In response to paragraph 2 of OCC's Cross-Claims, YPFH and CLHH state that they lack sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 3. In response to paragraph 3 of OCC's Cross-Claims, YPFH and CLHH state that they lack sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 4. In response to paragraph 4 of OCC's Cross-Claims, YPFH and CLHH state that they lack sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 5. In response to paragraph 5 of OCC's Cross-Claims, YPFH and CLHH state that they lack sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.

- 6. In response to paragraph 6 of OCC's Cross-Claims, YPFH and CLHH state that they lack sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 7. In response to paragraph 7 of OCC's Cross-Claims, YPFH and CLHH state that they lack sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 8. In response to paragraph 8 of OCC's Cross-Claim Complaint, YPFH and CLHH state that they lack sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 9. In response to paragraph 9 of OCC's Cross-Claim Complaint, YPFH and CLHH state that they lack sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 10. In response to paragraph 10 of OCC's Cross-Claims, YPFH and CLHH state that they lack sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 11. In response to paragraph 11 of OCC's Cross-Claims, YPFH and CLHH admit that Diamond Shamrock Chemicals Company ("DSCC") was sold to a subsidiary of Occidental Petroleum Corporation in 1986. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they lack sufficient knowledge or information to form a belief as to the truth of any remaining allegations in this paragraph and therefore deny same.
- 12. In response to paragraph 12 of OCC's Cross-Claims, YPFH and CLHH admit that OCC purports to quote portions of the Stock Purchase Agreement ("1986 SPA"), and state that the 1986 SPA contains only such words as stated therein. To the extent that this paragraph calls

for further answer, YPFH and CLHH deny any liability as a matter of fact or law and state that they otherwise are without sufficient knowledge or information to form a belief as to the truth of any remaining allegations in this paragraph and therefore deny same.

- 13. In response to paragraph 13 of OCC's Cross-Claims, YPFH and CLHH admit that OCC purports to quote portions of the 1986 SPA, and state that the 1986 SPA contains only such words as stated therein. To the extent that this paragraph calls for further answer, YPFH and CLHH deny any liability as a matter of fact or law and further deny any remaining allegations of this paragraph.
- 14. In response to paragraph 14 of OCC's Cross-Claims, YPFH and CLHH admit that OCC purports to quote portions of the 1986 SPA, and to characterize the allegations in Plaintiffs' Second Amended Complaint. YPFH and CLHH state that the 1986 SPA contains only such words as stated therein, as does Plaintiffs' Second Amended Complaint. YPFH and CLHH deny any liability as a matter of fact or law and further deny any remaining allegations in this paragraph.
- 15. In response to paragraph 15 of OCC's Cross-Claims, YPFH and CLHH admit that OCC purports to quote portions of the 1986 SPA, and state that the 1986 SPA contains only such words as stated therein. To the extent that this paragraph calls for further answer, YPFH and CLHH deny any liability as a matter of fact or law and further deny any remaining allegations of this paragraph.
- 16. In response to paragraph 16 of OCC's Cross-Claims, YPFH and CLHH admit that OCC purports to quote portions of the 1986 SPA, and to characterize the allegations in Plaintiffs' Second Amended Complaint. YPFH and CLHH state that the 1986 SPA contains only such words as stated therein, as does Plaintiffs' Second Amended Complaint. YPFH and CLHH deny

any liability as a matter of fact or law and further deny any remaining allegations in this paragraph.

- 17. In response to paragraph 17 of OCC's Cross-Claims, YPFH and CLHH admit that OCC purports to quote portions of the 1986 SPA, and state that the 1986 SPA contains only such words as stated therein. To the extent that this paragraph calls for further answer, YPFH and CLHH deny any liability as a matter of fact or law and further deny any remaining allegations of this paragraph.
- 18. In response to paragraph 18 of OCC's Cross-Claims, YPFH and CLHH admit that OCC purports to quote portions of the 1986 SPA, and state that the 1986 SPA contains only such words as stated therein. To the extent that this paragraph calls for further answer, YPFH and CLHH deny any liability as a matter of fact or law and further deny any remaining allegations in this paragraph.
- 19. In response to paragraph 19 of OCC's Cross-Claims, YPFH and CLHH admit that OCC purports to quote portions of the 1986 SPA, and state that the 1986 SPA contains only such words as stated therein. To the extent that this paragraph calls for further answer, YPFH and CLHH deny any liability as a matter of fact or law and further deny any remaining allegations in this paragraph.
- 20. In response to paragraph 20 of OCC's Cross-Claims, YPFH and CLHH admit that OCC purports to quote portions of the 1986 SPA, and state that the 1986 SPA contains only such words as stated therein. To the extent that this paragraph calls for further answer, YPFH and CLHH deny any liability as a matter of fact or law and further deny any remaining allegations of this paragraph.

- 21. In response to paragraph 21 of OCC's Cross-Claims, YPFH and CLHH admit that Diamond Shamrock Corporation ("DSC-II") changed its name to Maxus Energy Corporation in 1987. To the extent that this paragraph calls for further answer, YPFH and CLHH deny any liability as a matter of fact or law and state that they otherwise are without sufficient knowledge or information to form a belief as to the truth of any remaining allegations in this paragraph and therefore deny same.
  - 22. YPFH and CLHH admit the allegations in paragraph 22 of OCC's Cross-Claims.
- 23. In response to paragraph 23 of OCC's Cross-Claims, YPFH and CLHH admit that Repsol became the majority owner of YPF in 1999. To the extent that this paragraph calls for further answer, YPFH and CLHH deny any liability as a matter of fact or law and further deny any remaining allegations in this paragraph.
- 24. In response to paragraph 24 of OCC's Cross-Claims, YPFH and CLHH admit that OCC purports to quote portions of Repsol's SEC Form 20-F filing, for the fiscal year ended December 31, 2000, and state that the public filing contains only such words as stated therein. To the extent that this paragraph calls for further answer, YPFH and CLHH admit that the public filing contains the quoted language. YPFH and CLHH state, however, that, immediately following the quoted language, that same public filing states that, "the operations of Repsol YPF are managed individually on a decentralized geographic basis and globally by division in order to maximize efficiencies and operating synergies arising from the integration of Repsol and YPF." YPFH and CLHH deny any remaining allegations in this paragraph.
- 25. In response to paragraph 25 of OCC's Cross-Claims, YPFH and CLHH deny the allegations in the first sentence of this paragraph. YPFH and CLHH repeat and incorporate by

reference each response contained in paragraphs 33 through 53 of YPFH and CLHH's Answer and Defenses to Plaintiffs' Second Amended Complaint as if fully recited herein.

- 26. In response to paragraph 26 of OCC's Cross-Claims, YPFH and CLHH admit that OCC purports to quote portions of YPF's 1998 SEC Form 20-F/A filing and state that the public filing contains only such words as stated therein. To the extent that this paragraph calls for further answer, YPFH and CLHH admit that the public filing contains the quoted language and deny any remaining allegations in this paragraph.
- 27. In response to paragraph 27 of OCC's Cross-Claims, YPFH and CLHH admit that OCC purports to quote portions of YPF's 2006 SEC Form 20-F filing and state that the public filing contains only such words as stated therein. To the extent that this paragraph calls for further answer, YPFH and CLHH admit that the public filing contains the quoted language and deny any remaining allegations in this paragraph.
- 28. In response to paragraph 28 of OCC's Cross-Claims, YPFH and CLHH admit that OCC purports to quote portions of YPF's Amendment No. 1 to SEC Form F-3 filing, dated March 10, 2008, and state that the public filing contains only such words as stated therein. To the extent that this paragraph calls for further answer, YPFH and CLHH admit that the public filing contains the quoted language and deny any remaining allegations in this paragraph.
- 29. In response to paragraph 29 of OCC's Cross-Claims, YPFH and CLHH admit that OCC purports to quote portions of Repsol's SEC Form 20-F filing, dated December 31, 2006, and state that the public filing contains only such words as stated therein. To the extent that this paragraph calls for further answer, YPFH and CLHH admit that the public filing contains the quoted language and deny any remaining allegations in this paragraph.
  - 30. YPFH and CLHH deny the allegations in paragraph 30 of OCC's Cross-Claims.

- 31. YPFH and CLHH deny the allegations in paragraph 31 of OCC's Cross-Claims.
- 32. In response to paragraph 32 of OCC's Cross-Claims, YPFH and CLHH admit that OCC purports to quote portions of YPF's Amendment No. 1 to SEC Form F-3 filing, dated March 10, 2008, and state that the public filing contains only such words as stated therein. To the extent that this paragraph calls for further answer, YPFH and CLHH admit that the public filing contains the quoted language. YPFH and CLHH state, however, that immediately before the quoted language, the public filing states that "YPF Holdings' management believes it has adequately reserved for all environmental and other contingencies that are probable and can be reasonably estimated based on information available as of such time[.]" YPFH and CLHH admit that, as of September 30, 2007, YPFH's reserves for environmental, and other contingencies, totaled \$113.5 million. YPFH and CLHH deny any remaining allegations in this paragraph.
- 33. In response to paragraph 33 of OCC's Cross-Claims, YPFH and CLHH deny that YPF has publicly recognized potential environmental liabilities of Maxus, Tierra, and YPFH "far greater" than their reserves. YPFH and CLHH admit that YPF publicly filed a March 10, 2008 Amendment No. 1 Form F-3, and that public filing contains only such words as stated therein. YPFH and CLHH admit that the EPA released a draft Focused Feasibility Study ("FFS") in 2007, and state that the FFS contains only such words as stated therein. YPFH and CLHH state that the draft FFS is not finalized. YPFH and CLHH deny any remaining allegations in this paragraph.
- 34. In response to paragraph 34 of OCC's Cross-Claims, YPFH and CLHH admit that OCC purports to quote portions of YPF's Amendment No. 1 to SEC Form F-3 filing, dated March 10, 2008, and state that the public filing contains only such words as stated therein. To

the extent that this paragraph calls for further answer, YPFH and CLHH admit that the public filing contains the quoted language and deny any remaining allegations in this paragraph.

- 35. In response to paragraph 35 of OCC's Cross-Claims, YPFH and CLHH admit that OCC purports to quote portions of Repsol's SEC Form 20-F filing, dated December 31, 2006, and state that the public filing contains only such words as stated therein. To the extent that this paragraph calls for further answer, YPFH and CLHH admit that the public filing contains the quoted language and deny any remaining allegations in this paragraph.
- 36. In response to paragraph 36 of OCC's Cross-Claims, YPFH and CLHH admit that Plaintiffs filed a Second Amended Complaint against OCC, Tierra, Maxus, Repsol, YPF, YPFH, and CLHH. YPFH and CLHH state that Plaintiffs' Second Amended Complaint contains only such words as stated therein. YPFH and CLHH deny any remaining allegations in this paragraph.
- 37. In response to paragraph 37 of OCC's Cross-Claims, YPFH and CLHH deny that OCC never operated the Lister Site. YPFH and CLHH further state that they lack sufficient knowledge or information to form a belief as to the truth of any remaining allegations in this paragraph and therefore deny same.
  - 38. YPFH and CLHH deny the allegations in paragraph 38 of OCC's Cross-Claims.
- 39. In response to paragraph 39 of OCC's Cross-Claims, YPFH and CLHH state that the allegations in this paragraph are a characterization of Plaintiffs' allegations, and do not require a response. To the extent that this paragraph calls for further answer, YPFH and CLHH admit that OCC purports to quote portions of Plaintiffs' Second Amended Complaint, state that Plaintiffs' Second Amended Complaint contains only such words as stated therein, and otherwise deny any remaining allegations in this paragraph.

- 40. In response to paragraph 40 of OCC's Cross-Claims, YPFH and CLHH deny that they "controlled the environmental response at the Lister Site." YPFH and CLHH deny that they conspired to avoid or to delay clean up of the Passaic River and deny that they owe OCC a common law or other obligation of indemnification. YPFH and CLHH state that they lack sufficient knowledge or information to form a belief as to the truth of any remaining allegations in this paragraph and therefore deny same.
- 41. In response to paragraph 41 of OCC's Cross-Claims, YPFH and CLHH state that they lack sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 42. In response to paragraph 42 of OCC's Cross-Claims, YPFH and CLHH admit that Plaintiffs filed a Second Amended Complaint on April 15, 2008. YPFH and CLHH admit that OCC purports to quote portions of Plaintiffs' Second Amended Complaint, and state that Plaintiffs' Second Amended Complaint contains only such words as stated therein. To the extent that this paragraph calls for further answer, YPFH and CLHH deny any remaining allegations in this paragraph.
- 43. In response to paragraph 43 of OCC's Cross-Claims, YPFH and CLHH deny the allegations of any "scheme" alleged. YPFH and CLHH state that they lack sufficient knowledge or information to form a belief as to the truth of any remaining allegations in this paragraph and therefore deny same.
- 44. YPFH and CLHH deny the allegations of any "scheme" alleged and further deny any remaining allegations in paragraph 44 of OCC's Cross-Claims.
- 45. YPFH and CLHH deny the allegations of any "scheme" alleged and further deny any remaining allegations in paragraph 45 of OCC's Cross-Claims.

- 46. YPFH and CLHH deny the allegations in paragraph 46 of OCC's Cross-Claims.
- 47. In response to paragraph 47 of OCC's Cross-Claims, YPFH and CLHH admit that Maxus is a separate and independent corporate entity. YPFH and CLHH do not know to which "disclosure statements" OCC refers, and thus lack sufficient knowledge or information to form a belief as to the truth of the allegation in this paragraph regarding disclosure statements and therefore deny same. YPFH and CLHH deny any remaining allegations in this paragraph.
- 48. YPFH and CLHH deny that Repsol or YPF has any duty to assume any responsibility for any obligation Maxus may owe to OCC, and state that Repsol and YPF have not done so. YPFH and CLHH deny any remaining allegations in paragraph 48 of OCC's Cross-Claims.
- 49. In response to paragraph 49 of OCC's Cross-Claims, YPFH and CLHH state that the SPA contains only such words as stated therein. YPFH and CLHH deny any remaining allegations in this paragraph.
- 50. In response to paragraph 50 of OCC's Cross-Claims, YPFH and CLHH admit that Occidental has retained its own counsel in this case. YPFH and CLHH state that they lack sufficient knowledge or information to form a belief as to the truth of any remaining allegations in this paragraph and therefore deny same.
- 51. In response to paragraph 51 of OCC's Cross-Claims, YPFH and CLHH repeat and incorporate by reference every response contained in paragraphs 1 through 50 above, as if fully recited herein.
- 52. In response to paragraph 52 of OCC's Cross-Claims, YPFH and CLHH deny any liability as a matter of fact or law and further state that they otherwise are without sufficient

knowledge or information to form a belief as to the truth of any remaining allegations in this paragraph and therefore deny same.

- 53. In response to paragraph 53 of OCC's Cross-Claims, YPFH and CLHH deny any liability as a matter of fact or law and deny any remaining allegations in this paragraph.
- 54. In response to paragraph 54 of OCC's Cross-Claims, YPFH and CLHH deny any liability as a matter of fact or law and deny any remaining allegations in this paragraph.
  - 55. YPFH and CLHH deny the allegations in paragraph 55 of OCC's Cross-Claims.
  - 56. YPFH and CLHH deny the allegations in paragraph 56 of OCC's Cross-Claims.
  - 57. YPFH and CLHH deny the allegations in paragraph 57 of OCC's Cross-Claims.
  - 58. YPFH and CLHH deny the allegations in paragraph 58 of OCC's Cross-Claims.
  - 59. YPFH and CLHH deny the allegations in paragraph 59 of OCC's Cross-Claims.
- 60. In response to paragraph 60 of OCC's Cross-Claims, YPFH and CLHH deny that OCC is entitled to the relief requested, and deny any remaining allegations in this paragraph.

- 61. In response to paragraph 61 of OCC's Cross-Claims, YPFH and CLHH repeat and incorporate by reference every response contained in paragraphs 1 through 60 above, as if fully recited herein.
- 62. The allegations contained in paragraph 62 of OCC's Cross-Claims are directed only towards Repsol and YPF and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are

without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.

- 63. The allegations contained in paragraph 63 of OCC's Cross-Claims are directed only towards Repsol and YPF and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 64. The allegations contained in paragraph 64 of OCC's Cross-Claims are directed only towards Repsol and YPF and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 65. The allegations contained in paragraph 65 of OCC's Cross-Claims are directed only towards Repsol and YPF and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 66. The allegations contained in paragraph 66 of OCC's Cross-Claims are directed only towards Repsol and YPF and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.

- 67. The allegations contained in paragraph 67 of OCC's Cross-Claims are directed only towards Repsol and YPF and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 68. The allegations contained in paragraph 68 of OCC's Cross-Claims are directed only towards Repsol and YPF and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 69. The allegations contained in paragraph 69 of OCC's Cross-Claims are directed only towards Repsol and YPF and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 70. The allegations contained in paragraph 70 of OCC's Cross-Claims are directed only towards Repsol and YPF and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 71. The allegations contained in paragraph 71 of OCC's Cross-Claims are directed only towards Repsol and YPF and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are

without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.

- 72. The allegations contained in paragraph 72 of OCC's Cross-Claims are directed only towards Repsol and YPF and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 73. The allegations contained in paragraph 73 of OCC's Cross-Claims are directed only towards Repsol and YPF and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 74. The allegations contained in paragraph 74 of OCC's Cross-Claims are directed only towards Repsol and YPF and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 75. The allegations contained in paragraph 75 of OCC's Cross-Claims are directed only towards Repsol and YPF and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.

- 76. In response to paragraph 76 of OCC's Cross-Claims, YPFH and CLHH repeat and incorporate by reference every response contained in paragraphs 1 through 75 above, as if fully recited herein.
- 77. The allegations contained in paragraph 77 of OCC's Cross-Claims are directed only towards Maxus, Repsol, and YPF and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that the allegations in this paragraph call for a legal conclusion and that they are without sufficient knowledge or information to form a belief as to the truth of any remaining allegations in this paragraph and therefore deny same.
- 78. The allegations contained in paragraph 78 of OCC's Cross-Claims are directed only towards Maxus, Repsol, and YPF and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 79. The allegations contained in paragraph 79 of OCC's Cross-Claims are directed only towards Maxus, Repsol, and YPF and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.

- 80. The allegations contained in paragraph 80 of OCC's Cross-Claims are directed only towards Maxus, Repsol, and YPF and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 81. The allegations contained in paragraph 81 of OCC's Cross-Claims are directed only towards Maxus, Repsol, and YPF and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 82. The allegations contained in paragraph 82 of OCC's Cross-Claims are directed only towards Maxus, Repsol, and YPF and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 83. The allegations contained in paragraph 83 of OCC's Cross-Claims are directed only towards Maxus, Repsol, and YPF and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.

- 84. In response to paragraph 84 of OCC's Cross-Claims, YPFH and CLHH repeat and incorporate by reference every response contained in paragraphs 1 through 83 above, as if fully recited herein.
- 85. The allegations contained in paragraph 85 of OCC's Cross-Claims are directed only towards Repsol and YPF and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 86. The allegations contained in paragraph 86 of OCC's Cross-Claims are directed only towards Repsol and YPF and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 87. The allegations contained in paragraph 87 of OCC's Cross-Claims are directed only towards Repsol and YPF and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.

- 88. In response to paragraph 88 of OCC's Cross-Claims, YPFH and CLHH repeat and incorporate by reference every response contained in paragraphs 1 through 87 above, as if fully recited herein.
  - 89. YPFH and CLHH deny the allegations in paragraph 89 of OCC's Cross-Claims.
  - 90. YPFH and CLHH deny the allegations in paragraph 90 of OCC's Cross-Claims.
  - 91. YPFH and CLHH deny the allegations in paragraph 91 of OCC's Cross-Claims.

- 92. In response to paragraph 92 of OCC's Cross-Claims, YPFH and CLHH repeat and incorporate by reference every response contained in paragraphs 1 through 91 above, as if fully recited herein.
  - 93. YPFH and CLHH deny the allegations in paragraph 93 of OCC's Cross-Claims.
  - 94. YPFH and CLHH deny the allegations in paragraph 94 of OCC's Cross-Claims.
  - 95. YPFH and CLHH deny the allegations in paragraph 95 of OCC's Cross-Claims.

- 96. In response to paragraph 96 of OCC's Cross-Claims, YPFH and CLHH repeat and incorporate by reference every response contained in paragraphs 1 through 95 above, as if fully recited herein.
- 97. In response to paragraph 97 of OCC's Cross-Claims, YPFH and CLHH admit that there is a Spill Compensation and Control Act ("Spill Act"), N.J.S.A. 58:10-23.11 et seq., and

state that the Spill Act contains only such words as stated therein. YPFH and CLHH deny any remaining allegations in this paragraph.

- 98. In response to paragraph 98 of OCC's Cross-Claims, YPFH and CLHH admit that there is a Spill Compensation and Control Act ("Spill Act"), N.J.S.A. 58:10-23.11 et seq., and state that the Spill Act contains only such words as stated therein. YPFH and CLHH deny any remaining allegations in this paragraph.
  - 99. YPFH and CLHH deny the allegations in paragraph 99 of OCC's Cross-Claims.
  - 100. YPFH and CLHH deny the allegations in paragraph 100 of OCC's Cross-Claims.

WHEREFORE, Defendants YPFH and CLHH deny each and every Prayer for Relief asserted by OCC and request judgment to be entered for YPFH and CLHH, along with an award to YPFH and CLHH of their attorneys' fees, costs, and expenses and all other relief deemed just.

- 101. In response to paragraph 101 of OCC's Cross-Claims, YPFH and CLHH repeat and incorporate by reference every response contained in paragraphs 1 through 100 above, as if fully recited herein.
  - 102. YPFH and CLHH deny the allegations in paragraph 102 of OCC's Cross-Claims.

- 103. In response to paragraph 103 of OCC's Cross-Claims, YPFH and CLHH repeat and incorporate by reference every response contained in paragraphs 1 through 102 above, as if fully recited herein.
- 104. The allegations contained in paragraph 104 of OCC's Cross-Claims are directed only towards Maxus and therefore do not require a response from YPFH and CLHH. To the

extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.

- 105. The allegations contained in paragraph 105 of OCC's Cross-Claims are directed only towards Maxus and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 106. The allegations contained in paragraph 106 of OCC's Cross-Claims are directed only towards Maxus and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.
- 107. The allegations contained in paragraph 107 of OCC's Cross-Claims are directed only towards Maxus and therefore do not require a response from YPFH and CLHH. To the extent that this paragraph calls for further answer, YPFH and CLHH state that they are without sufficient knowledge or information to form a belief as to the truth of the allegations in this paragraph and therefore deny same.

#### SEPARATE DEFENSES

Without assuming the burden of proof where such burden is otherwise on OCC as a matter of applicable substantive or procedural law, YPFH and CLHH assert the following defenses. YPFH and CLHH assert both direct defenses it has to OCC as well as defenses which OCC has or could have as to the Plaintiffs. YPFH and CLHH reserve the right to assert additional defenses as information becomes available to them.

- 1. The Court lacks personal jurisdiction over YPFH and CLHH.
- 2. Some or all of OCC's claims are not ripe for adjudication.
- 3. OCC's claims are barred, in whole or in part, as OCC fails to state a cause of action against YPFH and CLHH upon which relief can be granted.
- 4. OCC's claims are barred, in whole or in part, as OCC legally cannot establish the requisite elements of its claims.
- 5. OCC's claims are barred because Maxus and Tierra are not the alter ego of YPFH or CLHH and YPFH and CLHH are not otherwise responsible for Maxus or Tierra.
- 6. OCC's claims against YPFH and CLHH are barred, in whole or in part, by the applicable Statute of Limitations, Statute of Repose, and the equitable doctrines of laches and estoppel.
- 7. OCC's claims are barred, in whole or in part, by the doctrines of waiver, consent, estoppel, release, and assumption of risk.
- 8. OCC's claims are barred, in whole or in part, by the doctrines of collateral estoppel, res judicata, judicial estoppel, and accord and satisfaction.
- 9. OCC's claims against YPFH and CLHH are subject to setoff and recoupment, and therefore, must be reduced accordingly.
  - 10. OCC is not entitled to recover attorneys' fees or costs, or fees of litigation.
- 11. OCC is not entitled to recover for any alleged unjust enrichment as there exists an adequate remedy at law to redress OCC's claims.

- 12. The damages OCC seeks, if awarded, would result in unjust enrichment to OCC.
- 13. OCC's claims are barred by the statutory defenses to liability provided by the Spill Compensation and Control Act ("Spill Act").
- 14. OCC's claims are barred to the extent they seek relief for conduct occurring, or damages incurred, before the effective date of the Spill Act.
- 15. YPFH and CLHH did not own or operate a "Major Facility" as defined by the Spill Act, N.J.S.A. 58:10-23.11b.
- 16. In the event that OCC is entitled to contribution from YPFH and CLHH under the Spill Act, such relief is limited to "clean up and removal costs" as defined in N.J.S.A. 58:10-23.11b.
- 17. OCC's costs and damages, if any, are divisible and, as a result, OCC has no claim for joint and several liability.
- 18. Any claims asserted by OCC based on an allegation of joint and several liability are barred or limited because: (1) the acts and omissions, if any, of other Cross-Claim Defendants were separate and distinct from those, if any, of YPFH and CLHH; (2) under the facts of this case, neither the common law nor any statute renders YPFH and CLHH jointly and severally liable for the acts or omissions of the other Cross-Claim Defendants; and (3) the injury, harm, and costs that are the subject of OCC's claims are subject to apportionment.
- 19. OCC is not entitled to any recovery against YPFH or CLHH on any claims based on the SPA, as YPFH and CLHH are not parties to the SPA.
- 20. In accordance with the applicable law and facts of this case, OCC is not entitled to any recovery against YPFH or CLHH based upon the provisions of the SPA (including but not limited to Article IX), as those provisions are invalid and/or inapplicable.
- 21. OCC's claims for indemnification and otherwise are barred or diminished because OCC was guilty of negligence, or otherwise culpable conduct, and contributory negligence.
- 22. OCC's claims for indemnification and otherwise are barred or diminished because OCC was guilty of failure to act in good faith or failure to provide appropriate cooperation.

- 23. The costs, damages and penalties OCC seeks to recover or impose are unreasonable, excessive, arbitrary, and capricious.
- 24. OCC's claims for indemnification and otherwise are barred to the extent they seek recovery for any punitive damages as such claims are barred by public policy and applicable laws.
- 25. To the extent that OCC's claims against YPFH and CLHH are subject to contribution, or any reduction or offset from other parties, any damages recovered against YPFH and CLHH shall be reduced accordingly.
- 26. YPFH and CLHH reserve the right to incorporate by reference the defenses pled, now or in the future, by any other Defendant or Third-Party Defendant, to the extent applicable to YPFH and CLHH.
- 27. YPFH and CLHH assert against OCC all defenses OCC has or could have against the Plaintiffs, including but not limited to the separate defenses pleaded by OCC in its Answer to the Plaintiffs' Second Amended Complaint.
- 28. YPFH and CLHH reserve the right to assert additional defenses that may be uncovered during the course of this action.

## DEMAND FOR STATEMENT OF DAMAGES

PLEASE TAKE NOTICE that YPF Holdings, Inc. and CLH Holdings, Inc., pursuant to the provisions of Rule 4:5-2, demands that they be furnished with a statement of the monetary amounts of all damages claimed herein within five (5) days of the date of this pleading.

#### PRAYER FOR RELIEF

YPFH and CLHH reserve the right to amend this answer.

WHEREFORE, YPFH and CLHH respectfully pray that:

- (i) Judgment against OCC on its claims against YPFH and CLHH be entered;
- (ii) OCC's claims against YPFH and CLHH be dismissed with prejudice at OCC's cost;
- (iii) OCC recover nothing by this suit;
- (iv) YPFH and CLHH be awarded its costs of court, expenses, and attorneys' fees; and
- (v) YPFH and CLHH be granted such other relief, both special and general, at law or in equity, to which it is justly entitled.

GREENBAUM, ROWE, SMITH & DAVIS LLP

DLA PIPER US LLP

Attorneys for Defendants
YPF Holdings, Inc. and CLH Holdings, Inc.

By: MARK H. SOBEL

DATED: February 9, 2009

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YPF Holdings, Inc. and CLH Holdings, Inc.

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

Plaintiffs,

ν.

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

Defendants.

SUPERIOR COURT OF NEW JERSEY LAW DIVISION ESSEX COUNTY

DOCKET NO. ESX-L-009868-05

CIVIL ACTION

CERTIFICATION OF SERVICE

- I, Gregg H. Hilzer, do hereby certify as follows:
- 1. On February 9, 2009, I caused an original and copy of the Answer to Occidental Chemical Corporation's Cross-Claims on behalf of defendants, YPF Holdings, Inc. ("YPFH") and CLH Holdings, Inc. ("CLHH"), to be forwarded for filing, via hand

delivery to the Clerk, Superior Court, Civil Part, 113 Essex County Courts Building, 50 W. Market Street, Newark, NJ 07102.

- 2. I further certify that on February 9, 2009, a true copy of the foregoing document was forwarded hand delivery to the Honorable Donald S. Goldman, J.S.C., County Courts Building, Chambers 918, 50 W. Market Street, Newark, New Jersey 07102.
- 3. I further certify that on February 9, 2009, a true copy of the foregoing document was forwarded via e-mail and Federal Express to Michael Gordon, Esq., Gordon & Gordon, 505 Morris Avenue, Springfield, NJ 07081;
- 4. I further certify that on February 9, 2009, a true copy of the foregoing document was forwarded, with consent of counsel, via email and Federal Express to William L. Warren, Esq., Drinker Biddle & Reath LLP, 105 College Road East, Princeton, NJ 08542; and to Robert T. Lehman, One Centennial Square, 33 East Euclid Avenue, Haddonfield, New Jersey, 08033.
- 5. I further certify that on February 9, 2009, a true copy of the foregoing document was provided via e-mail to all other counsel currently involved in this matter.

I hereby certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Dated: February 9, 2009

HILZER