Connell Foley LLP 85 Livingston Avenue Roseland, New Jersey 07068 (973) 535-0500 Attorneys for Philbro, Inc.

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

SUPERIOR COURT OF NEW JERSEY LAW DIVISION: ESSEX COUNTY

DOCKET NO. L-9868-05 (PASR)

Plaintiffs,

٧.

CIVIL ACTION

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.

THIRD-PARTY DISCLOSURE OF PHILBRO, INC.

Comes now third party defendant Philbro, Inc. ("Respondent") and for its Second Supplement to Initial Disclosure in accordance with Case Management Order XII provides the following specific information:

Counsel for third party plaintiff has taken the position that Respondent failed to produce documents responsive to CMO XII, paragraph 21(b)(c). As a result of the forthwith, Respondent files this Third-Party Initial Disclosure in which it relies upon the previously produced disk with documents Bates HSC-0001 - 651 produced by third party defendant, Harrison Supply Company.

Reservations

- 1. Respondent generally objects to the production of documents or other information on the following grounds: (i) the documents are not relevant to the issues in this case and are not reasonably calculated to lead to the discovery of admissible evidence; (ii) Respondent is not in the possession of the documents and/or the documents are not reasonably assessable by Respondent; (iii) the documents are specifically excepted from production pursuant to CMO VIII Paragraphs 4(a), 4(b), 4(c), 4(d) 4(e), 4(f) and 4(g), or other applicable Order; (iv) the documents are subject to an applicable privilege, including the attorney-client privilege, the work product doctrine, the joint defense privilege, and/or the common interest doctrine. These disclosures are not intended to prejudice or waive any privileges or objections Respondent may have with respect to any outstanding subsequent requests for discovery.
- 2. Respondent's production of Documents shall not be construed to indicate that the Documents are or were maintained in Respondent's files or created or received by Respondent. Respondent's production of Documents shall not mean that Respondent concedes or agrees that any of the information or Documents provided in response to the Production Requirements are relevant to this litigation. Respondent reserves the right to object the admissibility of any information or Documents produced if any party to this litigation seeks to use any such information or Documents as evidence.
- 3. 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 doctrine, the

common interest doctrine, confidentiality, trade secret, State and Federal Homeland Security confidentiality and any other applicable privilege or 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.

- 4. 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.
- 5. The time period covered by the allegations in the Plaintiffs' Second Amended Complaint is quite long and encompasses at least six decades. The geographic scope of the Second Amended Complaint is also quite 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.' Second Amended Complaint, ¶ 1. The scope of inquiry required by Plaintiffs and Third-Party Defendants is accordingly quite broad and potentially burdensome. Respondent is therefore engaged in a continuing investigation and reserves the right to supplement and modify these disclosures.
- 6. "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.

Production as to Paragraph 21(b)

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

Respondent objects to this request to the extent that it concludes that there was any release or discharge of Hazardous Materials into the Newark Bay Complex from its premises. Respondent limits its response in accordance with the General Objections and Statements section above and in accordance with the Amended Production Requirements. Documents responsive to this request, to the extent available, were previously produced on a disk containing documents Bates labeled HSC-0001 - 651.

(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

Respondent objects to this request to the extent that it concludes that there was any release or discharge of Hazardous Materials into the Newark Bay Complex from its. Respondent limits its response in accordance with the General Objections Statements section above and in accordance with the Amended Production Requirements. Documents responsive to this request, to the extent available, were previously produced on a disk containing documents Bates labeled HSC-0001 - 651.

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

RESPONSE

Respondent objects to this request to the extent that it concludes that there was any release or discharge of Hazardous Materials into the Newark Bay Complex from its. Respondent limits its response in accordance with the General Objections Statements section above and in accordance with the Amended Production Requirements. Documents responsive to this request, to the extent available, were previously produced on a disk containing documents Bates labeled HSC-0001 - 651.

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

RESPONSE

Respondent limits its response in accordance with the General Objections and Statements section above and in accordance with the Amended Production Requirements. Respondent further objects to this request on the basis that all cross-claims and counterclaims asserting statutory or common law contribution or indemnification and Fourth-Party claims are stayed in the present action and, as such, it has made no such claim against parties in this action at this time. Based on the foregoing, Respondent is not producing any documents in response to this request.

Production as to Paragraph 21(c)

- 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

Respondent objects to this request to the extent that it concludes that there was any release or discharge of Hazardous Materials into the Newark Bay Complex from its premises. Respondent limits its response in accordance with the General Objections and Statements section above and in accordance with the Amended Production Requirements. Documents responsive to this request, to the extent available, were previously produced on a disk containing documents Bates labeled HSC-0001 - 651.

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, byproducts or waste products used in connection therewith;

RESPONSE

Respondent objects to this request to the extent that it assumes or concludes that any Hazardous Materials were stored or utilized at the former Stanley Tools Site for which Respondent has any liability, responsibility, and/or obligation. Respondent limits its response in accordance with the General Objections and Statements section above and in accordance with the Amended Production Requirements. Documents responsive to this request, to the extent available, were previously produced on a disk containing documents Bates labeled HSC-0001 - 651.

iii. sampling results from environmental, chemical, or biological testing conducted at that Third Party Defendant's properties;

RESPONSE

Respondent objects to this request to the extent that it concludes that there was any release or discharge of Hazardous Materials into the Newark Bay Complex from the former Stanley Tools Site. Respondent limits its response in accordance with the General Objections and Statements section above and in accordance with the Amended Production Requirements. Documents

responsive to this request, to the extent available, were previously produced on a disk containing documents Bates labeled HSC-0001 - 651.

iv. any communications involving that Third-Parry 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

Respondent objects to this request to the extent that it concludes that there was any release or discharge of Hazardous Materials into the Newark Bay Complex from its premises. Respondent limits its response in accordance with the General Objections and Statements section above and in accordance with the Amended Production Requirements. Documents responsive to this request, to the extent available, were previously produced on a disk containing documents Bates labeled HSC-0001 - 651.

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

Respondent objects to this request to the extent that it concludes that there was any release or discharge of Hazardous Materials into the Newark Bay Complex from the former Stanley Tools Site. Respondent limits its response in accordance with the General Objections and Statements section above and in accordance with the Amended Production Requirements. Documents responsive to this request, to the extent available, were previously produced on a disk containing documents Bates labeled HSC-0001 - 651.

3. 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

Documents responsive to this request, to the extent available, were previously produced on a disk labeled "Insurance Policies".

Dated: February 16, 2012

Respectfully submitted,

CONNELL FOLEY LLP

Attorney for Third-Party Defendant, Philbro, Inc.

Timothy E. Corriston, Esq.