

APPENDIX A



State of New Jersey

Department of Environmental Protection

Richard J. Codey
Governor

Bradley M. Campbell
Commissioner

IN THE MATTER OF	:	
THE NEW JERSEY SITES AND	:	
CHEVRON U.S.A. INC., KEWANEE	:	NATURAL RESOURCE DAMAGES
INDUSTRIES, INC., TEXACO	:	SETTLEMENT AGREEMENT
DOWNSTREAM PROPERTIES, INC.,	:	
AND TEXACO INC.	:	

The New Jersey Department of Environmental Protection and the Administrator of the New Jersey Spill Compensation Fund (jointly, "the Department") enter this Settlement Agreement pursuant to the authority vested in the Administrator of the New Jersey Spill Compensation Fund by the Spill Compensation and Control Act, N.J.S.A. 58:10-23.11 et seq. ("Spill Act"), and in the Commissioner of the Department by N.J.S.A. 13:1D-1 et seq. and the Spill Act, and duly delegated to the Assistant Commissioner, Natural and Historic Resources and the Administrator pursuant to N.J.S.A. 13:1B-4.

FINDINGS

1. A. CHEVRON U.S.A. INC., a Settling Party, is a corporation incorporated in the Commonwealth of Pennsylvania, with its principal offices at 6001 Bollinger Canyon Road, San Ramon, California 94583, and has agreed to enter into this Settlement Agreement.

B. KEWANEE INDUSTRIES, INC., a Settling Party, is a corporation incorporated in the State of Delaware, with its principal offices at 6001 Bollinger Canyon Road, San Ramon, California 94583, and has agreed to enter into this Settlement Agreement.

C. TEXACO DOWNSTREAM PROPERTIES, INC., a Settling Party, is a corporation incorporated in the State of Delaware, with its principal offices at 6001 Bollinger Canyon Road, San Ramon, California 94583, and has agreed to enter into this Settlement Agreement.

D. TEXACO INC., a Settling Party, is a corporation incorporated in the State of Delaware, with its principal offices at 6001 Bollinger Canyon Road, San Ramon, California 94583, and has agreed to enter into this Settlement Agreement.

E. CHEVRON U.S.A. INC., KEWANEE INDUSTRIES, INC., TEXACO DOWNSTREAM PROPERTIES INC., and TEXACO INC. are collectively referred to herein as the "Settling Parties," or individually as "Settling Party."

2. This Settlement Agreement covers sites including known and unknown chemical manufacturing facilities, petroleum refineries, petroleum blending facilities, petroleum pipeline

facilities, petroleum product distribution and storage terminals, gasoline/service stations, locations of underground storage tanks and piping and all environmental media affected by a discharge of any hazardous substance including petroleum hydrocarbons, oil, oil products and fractions thereof (hereinafter collectively referred to as "hazardous substances") from any known or unknown site (hereinafter referred to as "Site" or "Sites"), located in the State of New Jersey, which have been owned, leased, affiliated with and/or operated by any Settling Party, including, but not limited to, any such sites that may have been transferred at anytime to any person or entity not a party to this agreement. This Settlement Agreement does not cover a discharge of any hazardous substance at a site that is proposed to be or is listed on the CERCLA National Priorities List and/or any state equivalent thereof. Lists of the known Sites are attached hereto and incorporated herein by reference as Attachments A-1 and A-2.

3. The Settling Parties are conducting remediation at some of the Sites pursuant to the Industrial Site Recovery Act, the Industrial Site Recovery Act Rule, and/or the Underground Storage of Hazardous Substances Act Rule.

4. The Settling Parties have completed a remedial investigation at some of the Sites and reported the results of such investigations to the Department and certain of the remedial investigation results have been approved by the Department by letter.

5. Based in part upon information obtained from the said investigations and remediations noted in Paragraphs 3 and 4 above and the information regarding the marketing and related sites (e.g., service stations, UST systems, etc.) supplied and reviewed as part of this settlement, the Settling Parties and the Department have jointly conducted a statistical analysis in order to conservatively predict the potential injury to groundwater at sites where information is lacking. As a result, a certainty premium has been included in the compensation which is set forth in paragraph 14 herein. See Attachment B.

6. The Settling Parties and the Department agree that the information obtained from the studies listed in Paragraphs 4 through 5 above is sufficient to form a rational basis for determining the nature and extent of the Settling Parties' liability for Natural Resource Damages in the State of New Jersey arising from the Sites. The Department hereby acknowledges that the compensation provided in Paragraph 14 as to the known sites listed in Attachments A-1 and A-2 hereto amounts to a payment of 100% of the groundwater natural resource damages suffered at the said known sites listed in Attachments A-1 and A-2.

7. As the trustee of all of the natural resources within the jurisdiction of New Jersey for the benefit of its citizens, the Department alleges that the discharge of hazardous substances at the Sites, both known and unknown, has injured and continues to injure natural resources and the services that they provide. The injured natural resources that are part of this settlement include: groundwater only.

8. By entering into this Settlement Agreement, the Settling Parties neither admit nor deny any of the findings of the Department. This Settlement Agreement shall not constitute, or be interpreted or used as an admission of fault, liability, law or fact, nor shall it be admissible in any proceeding as such, except only to the limited extent necessary to enforce the provisions of

this Settlement Agreement or to establish the scope of the release/covenant not to sue, or indemnity or contribution protection provided by this Settlement Agreement.

ORDER

9. "Natural Resources" as used in this Settlement Agreement includes all land, fish, shellfish, wildlife, biota, air, waters and other such resources owned, managed, held in trust or otherwise controlled by the State.

10. "Natural Resource Damages" as used in this Settlement Agreement includes all claims, arising from a discharge of hazardous substances at or from the Sites, both known and unknown, to the State's groundwater resources that occurred prior to the effective date of this Settlement Agreement, recoverable as natural resource damages under the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. §§ 9601 *et seq.*, the Oil Pollution Act, 33 U.S.C. §§ 2701 *et seq.*, the Clean Water Act, 33 U.S.C. §§ 1251 *et seq.*, the Spill Compensation and Control Act, N.J.S.A. 58:10-23.11 *et seq.*, or any other state or federal common law, statute, or regulation including:

(a) Compensation for the lost value of, injury to, or destruction of the State's groundwater resources and services flowing from these resources, including but not limited to the costs of assessments, attorney's fees, consultant's or expert fees, interest, or any other expenses or costs; and

(b) The restoration, rehabilitation or acquisition of the equivalent of injured groundwater resources and the services flowing from these resources.

Natural Resource Damages do not include, however, either:

(a) Compliance, during the remediation of any Site, with any statutory or regulatory requirement that is not within this definition of natural resource damages, for example, without limitation, the mitigation of freshwater wetlands as required by N.J.A.C. 7:7A; or

(b) Restoration or other compensation for injury to natural resources caused after the effective date of this Settlement Agreement by implementation of any remedial action, including a compensatory restoration remedial action, for a Site.

11. "Discharge" or "discharges" as used in this Settlement Agreement shall have the meaning set forth in the Spill Act.

12. "Hazardous Substances" as used in this Settlement Agreement shall have the meaning set forth in the Spill Act.

13. The Settling Parties agree that the settlement values for the Sites, both known and unknown, reflected in this Settlement Agreement are premised on current and future compliance with all lawfully imposed requirements for remediation or primary restoration at the Sites, see paragraph 3 above. Failure to comply may give rise to additional natural resource damage

liability, to the extent that the noncompliance increases the scope and duration of natural resource injuries.

14. A. Within sixty (60) calendar days after the Effective Date of this Settlement Agreement, the Settling Parties agree to submit to the Department for approval, at the address listed below, a survey prepared in accordance with New Jersey Green Acres, Minimum Specifications for Land Surveys and Property Descriptions, (found at: <http://www.state.nj.us/dep/greenacres>) for the Hackettstown Property located in Warren County, New Jersey, described in Attachment C-1 attached hereto and made a part hereof (hereinafter the "Hackettstown Property"). The survey shall be submitted to the following address:

Administrator
Office of Natural Resource Restoration
Natural and Historic Resources Program
New Jersey Department of Environmental Protection
P.O. Box 404
Trenton, New Jersey 08625-0404

B. Within sixty (60) calendar days after the end of the public comment period required in Paragraph 18 below and subject to the approval of the survey required in Paragraph 14.A above, the Settling Parties agree to undertake any and all steps necessary to convey to the Department fee simple title and all its right, title and interest in the Hackettstown Property.

C. Within sixty (60) calendar days after the end of the public comment period required in Paragraph 18 below, the Settling Parties agree to fund the acquisition and conservation of the Pettino property, consisting of approximately 165 acres described as Lot 64, Block 6401 of the Township of Franklin, Gloucester County, New Jersey, for the State of New Jersey's Green Acres program. The Settling Parties agree to make this payment by a cashier's or certified check payable to the "Treasurer, State of New Jersey" and submit it to the same address as listed in Paragraph 14.G below.

D. The Settling Parties agree to perform the wetland restoration project as approved in the North Field Basin (NFB) Wetland Creation Design Report and Work Plan, previously submitted to the Land Use Regulation Program (LURP) of the Department (hereinafter referred to as the "NFB Restoration Project"). The NFB Restoration Project involves the construction of a tidal salt marsh wetland in the former NFB located at the Chevron Refinery in Perth Amboy, New Jersey. The restored acreage will be approximately 11 acres, consisting of approximately 5 acres of low marsh, approximately 5 acres of high marsh, and approximately 1 acre of upland buffer areas. Within 120 calendar days of completion of the construction requirements of the approved NFB Wetland Creation Design and Work Plan, the Settling Parties agree to place a conservation easement, pursuant to the conservation easement model included in Attachment D, which is attached hereto and made a part hereof, on the NFB restored acreage, record the same with the Clerk of the county in which said property is located, and submit a copy of the recorded conservation easement to the Department, at the address listed in Paragraph 14.A above.

E. Within 180 calendar days of the LURP's approval of the NFB Wetland Creation Design Report and Work Plan, the Settling Parties agree to implement the approved NFB Wetland Creation Design and Work Plan in accordance with the approved construction schedule therein. The obligations of the Settling Parties under this paragraph shall be limited to the requirements contained in the approved NFB Wetland Creation Design and Work Plan.

F. Within 120 calendar days of completion of the construction requirements of the approved NFB Wetland Creation Design and Work Plan, the Settling Parties agree to submit a final Construction Report that shall include:

- 1) a narrative description of the final project with associated documentation (e.g. maps, pictures);
- 2) as built designs;
- 3) a list and explanation of any deviations from the approved NFB Wetland Creation Design and Work Plan; and
- 4) inventory of construction materials.

G. Within sixty (60) calendar days after the end of the public comment period required in Paragraph 18 below, the Settling Parties agree to pay to the Department the sum of \$29,006.84 for assessment costs associated with settlement of Natural Resource Damages. The Settling Parties agree to make this payment by a cashier's or certified check payable to the "Treasurer, State of New Jersey" and submit it to:

Administrator
Office of Natural Resource Restoration
Department of Environmental Protection
P.O. Box 404
Trenton, New Jersey 08625-0404

H. The Department will consider a written request for an extension of time to perform any requirement in this Settlement Agreement, provided that the Settling Parties submit any extension request to the Department two weeks prior to any applicable deadline to which the extension request refers. This request shall be sent to the Office of Natural Resource Restoration address indicated in Paragraph 14.A above.

15. The Department reserves the right to withdraw its execution of this Settlement Agreement if the comments or objections received during the comment period referenced in Paragraph 18 below disclose facts or considerations that indicate to the Department in its sole discretion, that the Settlement Agreement is inappropriate, improper, or inadequate. The Settling Parties consent to the entry of this Settlement Agreement without further notice.

16. It is the intent of the Department and the Settling Parties that this Settlement Agreement constitutes an administratively approved settlement within the meaning of 42 U.S.C. §9613(f)2 for the purpose of providing protection from contribution actions for Natural Resource Damages as a result of any discharges of hazardous substances at or from all of the Sites, both known and unknown. The Department and the Settling Parties agree that the Settling Parties are

entitled, as of the effective date of this Settlement Agreement, to protection from contribution actions or claims for the Natural Resource Damages addressed in this Settlement Agreement.

17. It is the further intent of the Department and the Settling Parties that by entering into this Settlement Agreement, the Settling Parties shall be protected to the greatest extent possible from any indemnity or contribution claim a third party may assert to the extent the claim arises from any judgment entered in favor of the Department, and/or any civil or administrative action the Department brings to recover costs or damages for the Natural Resource Damages addressed in this Settlement Agreement. The Department further agrees that the compensation described in Paragraph 14 constitutes the Settling Parties' full and fair share of any claim or cause of action possessed by the Department for the Natural Resource Damages addressed in this Settlement Agreement. The Department further agrees that the compensation described in Paragraph 14 does not discharge any other potentially liable persons, but such compensation reduces the potential liability of the others by the amount of the compensation. The Department agrees that it will require in any settlement that it reaches with any other person or entity regarding the Natural Resource Damages addressed in this Settlement Agreement a provision that such person or entity will not seek indemnity or contribution from the Settling Parties, and by such future settlement thereby waives all rights of indemnity or contribution from the Settling Parties for the Natural Resource Damages settled thereunder. Further, the Department agrees that it will not oppose any motion or application by the Settling Parties in any subsequent action in which the Settling Parties seek the indemnity or contribution protection that this Settlement Agreement is intended to provide.

If, notwithstanding the aforementioned motion or application, any subsequent action commenced by the Department results in a judgment or award that will subject the Settling Parties to any liability, direct or by way of indemnity or contribution, for the Natural Resource Damages addressed in this Settlement Agreement, the Department agrees not to collect that portion of the judgment or award that is assessed against the Settling Parties in that subsequent action.

18. Within twenty (20) calendar days after the effective date of this Settlement Agreement, the Settling Parties agree to publish legal notices in three newspapers of general circulation in the State for a period of not less than three days and the Department agrees to arrange for the publication of a notice in the New Jersey Register, each giving notice to the public that the Department and the Settling Parties have entered into this Settlement Agreement, that a copy of this Settlement Agreement is available for inspection via the internet at the main branch of the local and county libraries in the State, the main office of the Department in Trenton, New Jersey, and on the Department's Internet site at www.nj.gov/dep/nrr/settlements, and that objections to, or comments on, the entry of this Settlement Agreement should be submitted to the Department within thirty (30) calendar days after the date of publication in the New Jersey Register.

19. Thirty (30) calendar days after the end of the public comment period referenced in paragraph 18 above, the Department will notify the Settling Parties in writing that the Department received no comments or received comments that do not disclose facts or considerations that indicate to the Department in its sole discretion that the Settlement

Agreement is inappropriate, improper, or inadequate. Therefore, the Settling Parties shall comply with Paragraph 14 above.

20. One hundred twenty (120) calendar days after the end of the public comment period referenced in Paragraph 18 above, if the Department receives no comments or receives comments that do not disclose facts or considerations that indicate to the Department in its sole discretion that the Settlement Agreement is inappropriate, improper, or inadequate and Settling Parties have fully complied with Paragraph 14 above, the Department will issue a Release/Covenant Not to Sue to the Settling Parties, consistent with this Settlement Agreement, that fully and forever releases, covenants not to sue, or to not otherwise take administrative action against Settling Parties and its predecessors, successors, parents, subsidiaries, officers, directors and employees for Natural Resource Damages, except in the instance where such person has independent liability for the discharge of hazardous substances at any Site.

21. Thirty (30) calendar days after the end of the public comment period referenced in Paragraph 18 above, the Department will notify the Settling Parties in writing that the Department received comments that disclose facts or considerations that indicate to the Department in its sole discretion that the Settlement Agreement is inappropriate, improper, or inadequate, and that the Department is exercising its right to withdraw its execution of this Settlement Agreement, see Paragraph 15 above.

22. The Department expressly reserves its right to pursue the Settling Parties for injuries to any natural resource, including ground water, pursuant to Paragraph 13 above.

General Provisions

23. If the Settling Parties fail to meet their obligations set forth in Paragraph 14 above, the Department reserves its right to terminate this Settlement Agreement, withdraw its offer to settle the Natural Resource Damages in this case, not issue any release/covenant not to sue pursuant to Paragraph 20, above, and pursue other enforcement actions.

24. Nothing in this Settlement Agreement, including the Department's issuance of a release/covenant not to sue as described in Paragraph 20 above, shall impact the Settling Parties' obligation to complete the remediation at the Sites. See Paragraph 3 above. Nor shall this Settlement Agreement create an obligation for the Settling Parties to complete remediation at any Site where such obligation does not otherwise exist.

25. The Settling Parties agree to comply with this Settlement Agreement, which shall be fully enforceable as an Order in the New Jersey Superior Court pursuant to the Department's statutory authority.

26. No modification or waiver of this Settlement Agreement shall be valid except by written amendment to this Settlement Agreement duly executed by the parties hereto.

27. The Settling Parties waive their rights to an administrative hearing concerning the entry of this Settlement Agreement.

28. This Settlement Agreement shall be governed and interpreted under the laws of the State of New Jersey. If federal law may govern the effect of the contribution protection provided herein, such as by Section 113(f)(2) of CERCLA, 42 U.S.C. § 9613(f)(2), then whichever law will provide the most contribution protection to the Settling Parties shall govern that aspect of this matter.

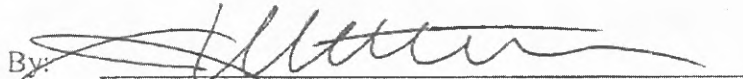
29. This Settlement Agreement shall be binding, jointly and severally, on CHEVRON U.S.A. INC., KEWANEE INDUSTRIES, INC., TEXACO DOWNSTREAM PROPERTIES, INC. and TEXACO INC., their successors, assignees and any trustee in bankruptcy or receiver appointed pursuant to a proceeding in law or equity. No change in the ownership or corporate status of any party or the Property shall alter any party's responsibilities under this Settlement Agreement.

30. The Settling Parties agree to submit to the Department, along with two original copies of the Settlement Agreement signed by the Settling Parties, documentary evidence, such as a corporate resolution or a certification by a corporate officer, that the signatory has the authority to bind the Settling Party to the terms of this Settlement Agreement.

31. This Settlement Agreement shall be effective upon the execution of this Settlement Agreement by the Department and all of the Settling Parties.


**STATE OF NEW JERSEY AND
NEW JERSEY DEPARTMENT OF
ENVIRONMENTAL PROTECTION**

Date: 11/21/05

By: 
John S. Watson, Jr., Assistant Commissioner
Natural and Historic Resources

SPILL FUND

Date: 11/21/2005

By: 
Leonard Romino, Spill Fund Administrator

CHEVRON U.S.A. INC.

Date: NOV 16 2005

By: Tanya Valli
Signature

Tanya Valli

Print Full Name Signed Above

Assistant Secretary

Title

KEWANEE INDUSTRIES, INC.

Date: NOV 16 2005

By: Tanya Valli
Signature

Tanya Valli

Print Full Name Signed Above

Assistant Secretary

Title

TEXACO DOWNSTREAM PROPERTIES, INC.

Date: NOV 16 2005

By: Tanya Valli
Signature

Tanya Valli

Print Full Name Signed Above

Assistant Secretary

Title

TEXACO INC.

Date: NOV 16 2005

By: Tanya Valli
Signature

Tanya Valli

Print Full Name Signed Above

Assistant Secretary

Title

CHEVRON U.S.A. INC.
CERTIFICATE OF ASSISTANT SECRETARY

I, Frank G. Soler, Assistant Secretary of CHEVRON U.S.A. INC., a corporation organized under the laws of the State of Pennsylvania, United States of America (the "Corporation"), **DO HEREBY CERTIFY** that the following is a full, true and correct copy of certain resolutions adopted by unanimous written consent of Directors of said Corporation, dated July 24, 1992, as the same appear of record in the minute book of the Corporation:

RESOLVED: That any officer of this Corporation or any division thereof be, and each of them is hereby, empowered in such capacity to execute for and on behalf of this Corporation (without the necessity of affixing the corporate seal) all papers requiring execution in the name of this Corporation, except no authority is conferred by this resolution for execution of any of the following:

1. leases or deeds to others covering oil, gas or other hydrocarbon or non-hydrocarbon minerals underlying fee lands of this Corporation where either book value or sale price exceeds \$25 million or the acreage exceeds 6,400 acres;
2. deeds or conveyances to others covering fee lands of this Corporation, other than rights of way and similar easements, where either book value or sale price exceeds \$25 million;
3. documents, instruments or promissory notes in support of any borrowings; provided, however, that promissory notes and other documents given as consideration for the acquisition of real or personal property shall not be deemed to constitute a borrowing;
4. documents or agreements establishing bank accounts in the name of this Corporation, or withdrawing of funds or closing of any bank accounts of this Corporation, and be it further

RESOLVED: That each party empowered by this resolution is authorized to affix the seal of this Corporation to such papers as require a seal and to acknowledge and deliver any such papers as fully as if special authority were granted in each particular instance; and be it further

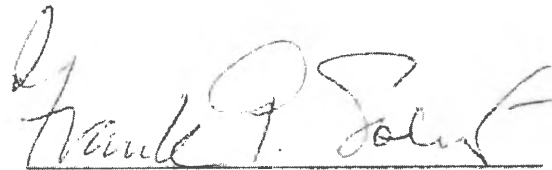
RESOLVED: That any officer of this Corporation or of any division thereof be and each of them is hereby empowered on behalf of this Corporation to appoint any person or persons whom they or any one of them may deem proper as Agents or Attorneys-in-Fact of this Corporation usually for a term of one year but in no instance to exceed a term of five years with such powers said persons or any of them may lawfully do by virtue of the authority herein granted to them: and be it further

RESOLVED: That the resolutions of similar import adopted by this Board of Directors on July 31, 1991, hereby are rescinded.

I FURTHER CERTIFY that the aforesaid resolutions are still in full force and effect and have not been amended or rescinded.

I FURTHER CERTIFY that Tanya Valli has been duly elected, has duly qualified, and this day is an Assistant Secretary of the Corporation,

IN WITNESS WHEREOF, I have hereunto set my hand this 16th day of November, 2005.



Frank P. Solnt

CERTIFICATE OF ASSISTANT SECRETARY

RESOLVED: That any officer of this Corporation or any division thereof is empowered in such capacity to execute for and on behalf of this Corporation (without the necessity of affixing the corporate seal) all papers requiring execution in the name of this Corporation, except no authority is conferred by this resolution for execution of any of the following:

1. leases to others covering oil, gas or other hydrocarbon or nonhydrocarbon minerals underlying fee lands of this Corporation, or deeds or conveyances to others, covering fee lands of this Corporation, other than rights of way and similar easements, where their book value or sale price exceeds \$500,000;
2. documents, instruments or promissory notes in support of any borrowings, provided, however, that promissory notes and other documents given as consideration for the acquisition of real or personal property shall not be deemed to constitute a borrowing;
3. documents or agreements establishing bank accounts in the name of this Corporation, or withdrawing of funds or closing of any bank accounts of this Corporation, and be it further

RESOLVED: That each party empowered by this resolution is authorized to affix the seal of this Corporation to such papers as require a seal and to acknowledge and deliver any such papers as fully as if special authority were granted in each particular instance; and be it further

RESOLVED: That any officer of this Corporation or any division thereof is empowered on behalf of this Corporation to appoint any person or persons whom they or any one of them may deem proper as Agents or Attorneys-in-Fact of this Corporation with the powers to do those things that the person making such appointment may lawfully do by virtue of the authority herein granted to them; and be it further

RESOLVED: That all resolutions of similar import previously adopted by this Board of Directors are superseded.

I, Frank G. Soler, Assistant Secretary of KEWANEE INDUSTRIES, INC., a Delaware corporation, DO HEREBY CERTIFY that the foregoing is a full, true and correct copy of certain resolutions unanimously adopted at a meeting of the Board of Directors of said Corporation held at the office of said Corporation in San Francisco, California, on December 4, 1991, and that said resolutions are in full force and unrevoked.

I FURTHER CERTIFY that Tanya Valli is a duly elected and acting Assistant Secretary of this Corporation.

WITNESS my hand of said Corporation this 16th day of November, 2005.


Frank G. Soler

CERTIFICATE OF ASSISTANT SECRETARY

I, Frank G. Soler, Secretary of TEXACO DOWNSTREAM PROPERTIES INC., a corporation organized under the laws of the State of Delaware, United States of America (the "Corporation"), DO HEREBY CERTIFY that the following is a full, true and correct copy of certain resolutions adopted by unanimous written consent of Directors of said Corporation, dated December 14, 2001, as the same appear of record in the minute book of the Corporation:

RESOLVED: That any officer of this Corporation or any division thereof is empowered in such capacity to execute for and on behalf of this Corporation (without the necessity of affixing the corporate seal) all papers requiring execution in the name of this Corporation, except no authority is conferred by this resolution for execution of any of the following:

1. leases to others covering oil, gas or other hydrocarbon or nonhydrocarbon minerals underlying fee lands of this Corporation, or deeds or conveyances to others, covering fee lands of this Corporation, other than rights or way and similar easements, where either book value or sale price exceeds \$500,000;
2. documents, instruments or promissory notes in support of any borrowings, provided, however, that the promissory notes and other documents given as consideration for the acquisition of real or personal property shall not be deemed to constitute a borrowing;
3. documents or agreements establishing bank accounts in the name of this Corporation, or withdrawing of funds or closing of any bank accounts of this Corporation, and be it further

RESOLVED: That each party empowered by this resolution is authorized to affix the seal of this Corporation to such papers as require a seal and to acknowledge and deliver any such papers as fully as if special authority were granted in each particular instance; and be it further

RESOLVED: That any officer of this Corporation or any division thereof is empowered on behalf of this Corporation to appoint any person or persons whom they or any one of them may deem proper as Agents or Attorneys-in-Fact of this Corporation with the powers to do those things that the person making such appointment may lawfully do by virtue of the authority herein granted to them.

I FURTHER CERTIFY that the aforesaid resolutions are still in full force and effect and have not been amended or rescinded.

I FURTHER CERTIFY that Tanya Valli has been duly elected, has duly qualified, and this day is an Assistant Secretary of this Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand this 16th day of November, 2005.



Frank G. Soler

CERTIFICATE OF ASSISTANT SECRETARY

I, Frank G. Soler, Vice President of TEXACO INC., a corporation organized under the laws of the State of Delaware, United States of America (the "Corporation"), **DO HEREBY CERTIFY** that the following is a full, true and correct copy of certain resolutions adopted by unanimous written consent of Directors of said Corporation, dated December 12, 2001, as the same appear of record in the minute book of the Corporation:

RESOLVED: That any officer of this Corporation or any division thereof is empowered in such capacity to execute for and on behalf of this Corporation (without the necessity of affixing the corporate seal) all papers requiring execution in the name of this Corporation, except no authority is conferred by this resolution for execution of any of the following:

1. leases to others covering oil, gas or other hydrocarbon or nonhydrocarbon minerals underlying fee lands of this Corporation, or deeds or conveyances to others, covering fee lands of this Corporation, other than rights or way and similar easements, where either book value or sale price exceeds \$500,000;
2. documents, instruments or promissory notes in support of any borrowings, provided, however, that the promissory notes and other documents given as consideration for the acquisition of real or personal property shall not be deemed to constitute a borrowing;
3. documents or agreements establishing bank accounts in the name of this Corporation, or withdrawing of funds or closing of any bank accounts of this Corporation, and be it further

RESOLVED: That each party empowered by this resolution is authorized to affix the seal of this Corporation to such papers as require a seal and to acknowledge and deliver any such papers as fully as if special authority were granted in each particular instance; and be it further

RESOLVED: That any officer of this Corporation or any division thereof is empowered on behalf of this Corporation to appoint any person or persons whom they or any one of them may deem proper as Agents or Attorneys-in-Fact of this Corporation with the powers to do those things that the person making such appointment may lawfully do by virtue of the authority herein granted to them.

I FURTHER CERTIFY that the aforesaid resolutions are still in full force and effect and have not been amended or rescinded.

I FURTHER CERTIFY that Tanya Valli is a duly elected and acting Assistant Secretary of this Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand this 16th day of November, 2005.


Frank G. Soler

Attachment A-1: Remediation Sites

PROPERTY NAME	NJDEP ID NUMBER	ADDRESS	TOWN	COUNTY	BLOCK	LOT(S)
Getty Terminals Corps (Getty Newark Terminal)	004475	85 Doremus Ave	Newark	Essex	5011	8
Gulf Oil (Woodbury Terminal)	006343	358 Kings Highway	Woodbury City	Gloucester	353	5
Chevron Bayway Lube Plant (Bayway Terminal)	G000003268	330 South Front St.	Elizabeth City	Union	4	1463
Coastal Oil NY Inc @ Bergen Point Terminal (Bayonne Terminal)	002274	35 Ave. A	Bayonne	Hudson	390 360	1 2
Chevron Products Company (Perth Amboy Refinery)	003621	1200 State St	Perth Amboy	Middlesex	523 734A 729 732A 399 399 456 460 460 461 462 468 468 468 469 469 478.01 478.01 478.01 478.02 478.02 479 480 481 481 484 484	3 1 2 1 1 1A 1 68-77 93-102 1 1 1.01 1.02 1.03 1 2 1 1.01 1.02 1 1 1 1.01 1 1.01
Gulf Oil (Linden Terminal)	006342	2600 Marshes Dock Rd.	Linden City	Union	581	15.01 & 15.02
Millmaster Onyx	011518	11 Summit Ave.	Berkley Heights	Union	201	1, 2
Chevron Duck Island Terminal	030256	Lamberton Rd.	Trenton City	Mercer	2506	20
Chevron Chemical Company Orthe Division	G000001553	800 Metuchen Rd.	South Plainfield Boro	Middlesex	255	30
Pirelli Cable Company	G000003680	236 1st St. W	Bayonne City	Hudson	391	1, 2
Getty Pipe Company (Changewater Terminal)	G000004715	Asbury-Anderson Rd	Washington Twp	Warren	82 70 69	16 28 37
Chevron Chemical Company (Millmaster)	G000023368	Willow Grove St	Hackettstown Town	Warren	901 42	37 1

PROPERTY NAME	NJDEP ID NUMBER	ADDRESS	TOWN	COUNTY	BLOCK	LOT(S)
Peabody Clean Industry Incorporated	NJD06739482 5	85 Riverview Ave	Paulsboro Borough	Gloucester	2	1
Texaco Service Station	005940	Atlantic & Missouri Aves.	Atlantic City	Atlantic	282	1
Former Texaco Service Station	005970	Rte. 73 & Beach Ave.	Berlin Twp.	Camden	1606	6
McFarland's Pitstop	006306	247 West Union Ave.	Bound Brook	Somerset	4	24.01
Former Gulf Service Station	006313	183 12th & Grove St.	Jersey City	Hudson	219	A.2
Foxwood Gulf 60633	006339	906 Easton Ave.	Franklin	Somerset	259	79.02
Hopatcong Gulf 61934	006350	486 River Styx Rd.	Hopatcong Boro	Sussex	31604	2
Gulf Service Station	006361	352 Liberty St.	Little Ferry Boro	Bergen	39	26
Royal Gas Delta	006368	692 Hamilton St.	Franklin Twp.	Somerset	144	1, 2, 3, 4, 5
Frank & Ricks Incorporated	006394	651 Bloomfield Ave	Montclair Town	Essex	1403	13
Cumberland Gulf 120209	006701	412 Rt. 36 & Wilson Ave.	Millstone Twp.	Monmouth	120	14
Gulf 120244	006702	229 Rte. 18	East Brunswick Twp	Middlesex	1301	6.02
Arctic Avenue Gulf 122686	006721	1928 Arctic Ave	Atlantic City	Atlantic	330	29
Gulf Service Station	006737	Rte. 1 & 571	Princeton Twp.	Mercer	13	8
Cumberland Gulf 126331	006740	1380 S Olden Ave	Hamilton Twp.	Mercer	2134	14
Miscia's Service Station	006746	277 Bloomfield Ave.	Verona	Essex	27	4
HIL/DEN Association	007407	350 Grand Ave.	Leonia Boro	Bergen	802	13
Texaco Service Station	011079	80 Rta. 4 Eastbound Rte. 35 (437 Broad St. & White Rd.)	Englewood City	Bergen	200-C	30
Precision Import Specialists Tr	011419		Shrewsbury Twp.	Monmouth	2 01	34
Texaco Service Station	011699	Rte. 22 East & Bloy Ave.	Hillside Twp.	Union	606	1
Texaco Inc	012657	Park & Main Sts. (231 Main St.)	Ridgefield Park Village	Bergen	75	1, 2
Panns Grove Texaco	016582	135 E. Main St.	Penns Grove Boro	Salem	39	10 & 17
Murphy's Garage	018035	74 Washington St./Phoenix Ave.	Morristown	Morris	7701	1
Former Gulf Service Station	031283	446 Passaic St	Hackensack	Bergen	452	24
Former Texaco S/S	031342	Route 70 & Cedar Bridge Rd.	Brick Twp.	Ocean	685	9
Texaco Refining and Marketing Inc.	031865	Malcolm Ave.	Teterboro Boro	Bergen	7	3
Delgas Enterprises II Inc	032885	39 Broadway	Elmwood Park Boro	Bergen	122	1
Towne Center Incorporated	G000009796	1463 (1457) Union Valley Rd.	West Milford Twp.	Passaic	7601	2
Toms River Gulf/CFI Station		2093 Route 37 & Coolidge	Toms River	Ocean	799	17 & 18
Former Service Station		190 1st Ave	Atlantic Highlands	Monmouth	102	7
Chevron Facility #211491		2152 Lemoine Ave.	Fort Lee	Bergen	6101	11, 12, 23, 24
Former Texaco Service Station		Rte. 504E & Mountain Rd. (1395 Paterson-Hamburg Turnpike)	Wayne	Passaic	201	34
Tom Hagley's Gulf Service Center	002905	523 Chestnut St.	Union Twp.	Union	2502	1
Texaco Service Station.	005943	Rte. 73 & Princeton Ave.	Maple Shade Twp.	Burlington	67	3

PROPERTY NAME	NJDEP ID NUMBER	ADDRESS	TOWN	COUNTY	BLOCK	LOT(S)
Union County Plate Glass - Getty	010151	1025 Elizabeth Ave.	Elizabeth City	Union	5	467
Port Authority Hoboken Piers	017065	325 River St	Hoboken City	Hudson	231.2	1
					231.3	2
Chester Valley Texaco	026927	Rt. 206 S	Chester Twp.	Morris	18	1-1
		223 Woodcliff Ave.	Woodcliff Lake	Bergen	1402	7
Chatham Twp Chevron 60155	006328	558 Fairmount Ave.	Chatham Twp.	Morris	17	91.01
Cape Port Station Inc.	015186	795 Rte. 9 & Ocean Hwy	Cape May City	Cape May	793	11.02
Osgrow Gulf Service Station	006346	335 Queen Anne Road	Teaneck Twp	Bergen	3210	1
Exxon R/S 30573	006359	490 Rt. 17 S.	Ridgewood Village Parsippany - Troy Hills Twp.	Bergen	4703	11
Gulf - Parsippany	006374	Route 46 & Baldwin Rd.		Morris	726	9 & 10
Raceway	006727	231 Rte. 130	Bordentown Twp.	Burlington	119	11
North Brunswick Gulf	010180	1695 George's Rd. Rte. 130	North Brunswick Twp.	Middlesex	282	1
Log Cabin Service Station	010690	Rte. 539 & Wainford Rd	Allentown Boro	Monmouth	40	1.01
		US Hwy 130 & Fresh Pond	Dayton	Middlesex	31.01	29.41
		550 Route 73 South	Maple Shade	Burlington	195	2-CA
		70 Telemark Road & Green Pond Lake Telemark		Morris	30301	12 & 13
		1035 Ocean Avenue	Mantoloking	Ocean	23	6
		176 Mountain Avenue	Springfield	Union	55	38
		8801 Kennedy Blvd.	North Bergen	Hudson	397	17
		Main St & Corlies Ave	Neptune	Monmouth	151	25
		15 Mickens Avenue	Riverdale	Morris	3	16
		Weremus Road & Woodcliff	Woodcliff Lake	Bergen	1402	7
Getty 56135	001624	337 to 341 Rt. 22 E	Green Brook Twp	Somerset	105	2
						2
KAYO OIL CO 2705970	011071	Rt. 208 & Plaza Rd.	Fair Lawn Boro	Bergen	3517	8

Attachment A-2: Star Enterprise Sites

Street Address	Municipality	County
609 White Horse Pike	Absecon	Atlantic
802 E Absecon Blvd/US 30	Absecon	Atlantic
1 South Burnt Mill & Evesham Rds.	Ashland (Vorhees)	Camden
399 White Horse Pike	Atco (Waterford Twp.)	Camden
White Horse Pike & 750 South Kings Hwy	Audubon	Camden
800 Ave. E & 50th St.	Bayonne	Hudson
Rt. 9 & Spray	Beachwood	Ocean
1525 Rt. 206 & Lamington Rd.	Bedminster	Somerset
605 Washington Ave.	Belleville	Essex
195 White Horse Pike/Rt. 30 & Franklin	Berlin	Camden
Rt. 30 & Cross Keys Road	Berlin	Camden
Rt. 202 & Church Rd. / 35 Morristown Rd.	Bernardsville	Somerset
461 Bloomfield Ave. & Garden State	Bloomfield	Essex
2086 Rt. 88 (corner of Coolidge Ave.)	Brick	Ocean
639 Brick Blvd. /Rt 549	Brick TWP	Ocean
Rt. 549 & Burnt Tavern Rd.	Brick Twp.	Ocean
Rt. 70 & Cedar Bridge Rd. (western corner)	Bricktown	Ocean
Rt. 88 & Bruce	Bricktown	Ocean
Kings Hwy and Browning Rd	Brooklawn	Camden
35 Rt. 46 East & Old Budd Lake Rd.	Budd Lake	Morris
666 Pompton Ave. & Myrtle Ave.	Cedar Grove	Essex
39 Rt. 73 South & Rd. 1	Cedar Brook	Camden
1390 East Marlton Pike/Rt. 70 (corner of Ranoldo Terrace)	Cherry Hill	Camden
514 North Kings Hwy & Chapel Ave.	Cherry Hill	Camden
798 Haddonfield-Berlin Rd. & Brace	Cherry Hill	Camden
Rt. 130 & Willow	Cinnaminson	Burlington
82 West Main Street	Clinton	Hunterdon
E Side of NJ Garden State Parkway	Colonia	Middlesex
1230 Raritan Rd. & Walnut St.	Cranford	Union
Rt. 130 & Chester Ave	Delran	Burlington
1058 Delsea Dr./SR 47 & Robert Barry Rd.	Deptford (Westville)	Gloucester
1095 W. Rte. 37 & Bananier	Dover Twp. (Toms River)	Ocean
U.S. 9 & Rte. 571	Dover TWP	Morris
780 Route 18	East Brunswick	Middlesex
357 Market St. and Boulevard	Elmwood Park	Bergen
North Side of Route 4	Englewood	Bergen
Rt. 4	Englewood	Bergen
90 Rt. 206	Flanders	Morris
103 E. Main St./Rt 537 & Jackson Terr	Freehold	Monmouth
4412 Rt. 9 & Craig Rd.	Freehold	Monmouth
Rt. 561 & Clementon Rd./Gibbsboro Rd.	Gibbsboro	Camden
6 N Delsea Drive and High	Glassboro	Gloucester
585 Berlin Cross Keys Rd.	Gloucester	Camden
1400 Blackwood-Clementon/ Little Gloucester Rd.	Gloucester Twp. (Clementon)	Camden
U.S. 22	Green Brook Twp.	Somerset
Route 33 and George Dye Rd	Hamilton Square (Hamilton Twp.)	Mercer
734 N 12th St. & Chew St.	Hammonton	Atlantic
1355 Rt. 36 & Middle Rd.	Hazlet	Monmouth
Rt. 35 North & Poole Ave.	Hazlet	Monmouth
2034 West County Line Road	Jackson	Camden
1000 Communipaw Ave. (US 1) & Marey	Jersey City	Hudson

12th & Erie Sts near N.J. Pike	Jersey City	Hudson
4 North Beverwyck Rd.	Lake Hiawatha (Parsippany/Troy Hills)	Morris
778 Route 15 North	Lake Hopatcong	Sussex
103 River Rd. & Hurley / Rt. 9 & River Rd.	Lakewood	Ocean
1650 Rt. 70 & Garden State Parkway	Lakewood	Ocean
Rt. 9 & Locust	Lakewood	Ocean
355 White Horse Pike/US 30	Lawnside	Camden
U.S. 30/White Horse Pike	Lawnside	Camden
1601 Princeton + Spruce	Lawrence Township	Mercer
Rt. 46 East /Rt. 10 near Circle Drive	Ledgewood	Morris
851 S. White Horse Pike/Rt. 30 & Clementon Gibbsboro P	Lindenwold	Camden
368 E. Northfield Ave.	Livingston	Essex
56 W. Mt. Pleasant & Mitchell	Livingston	Essex
138 Rt. 72 & Union Street	Manahawkin (Stafford Twp.)	Ocean
247 Gordons Corner Road & Pease Road	Manalapan	Monmouth
Church Rd. & Heather Rd.	Maple Shade	Burlington
Rt. 38 & Lenola Rd.	Maple Shade	Burlington
Rt. 73 & Collins Ave.	Maple Shade	Burlington
Rte 73 and Waverly	Maple Shade	Burlington
2 South Main St. / Rt. 79 & Schoolhouse Rd. West	Marlboro	Monmouth
Rt. 73 & Maple Ave.	Marlton	Burlington
Rt. 34 & Lloyd (northern corner)	Matawan	Monmouth
716 Stokes Rd.	Medford	Burlington
532 Middlesex Ave. & Main St.	Metuchen	Middlesex
2225 S. Delsea Dr./Rte 47	Millville	Cumberland
290 Speedwell Ave. & Hanover Ave.	Morris Plains	Morris
152 Morris St.	Morristown	Morris
1653 Rt. 38 & Pine St./ Rt. 38 & Mt. Holly	Mount Holly	Burlington
1843 Burlington-Mt Holly Rd./Rt 541	Mount Holly	Burlington
3530 Rte 38 East & Marter Rd.	Mount Laurel	Burlington
French & Joyce Kilmer	New Brunswick	Middlesex
909 Delaney Street	Newark	Essex
2401 New Road (U.S. 9 & Merrit Drive)	Northfield	Atlantic
502 White Horse Pike/Rte.30 Collingswood	Oaklyn	Camden
805 Deal Rd near Rte 35	Ocean Twp	Monmouth
2901 Asbury Park Ave./Asbury Ave.	Ocean Twp. (Asbury Park)	Monmouth
242 Oradell	Paramus	Bergen
Oradell Ave. & Pascock Rd.	Paramus	Bergen
204 Parsippany Rd.	Parsippany	Morris
3503 Rt. 46 East & Cherry Hill Rd.	Parsippany	Morris
197 Rt. 20 North	Paterson	Passaic
350 Preakness Ave.	Paterson	Passaic
1803 S. Delaware St.	Paulsboro	Gloucester
401 Cove Road	Pennsauken	Camden
1200 Rte 73 North and Palmyra	Pennsauken	Camden
Albert & Krockmolly St.	Perth Amboy	Middlesex
287 Changebridge Rd.	Pine Brook	Morris
450 Stelton Rd.	Piscataway	Middlesex
Verona and Hanover	Pleasantville	Atlantic
700 Ocean Rd./Rt. 88 & Bay Ave.	Point Pleasant	Ocean
390 Shrewsbury Ave. & Newman Spring	Red Bank	Monmouth
231 Main Street	Ridgefield Park	Bergen
1276 Rt. 206 & Rt. 518	Rocky Hill (Skillman)	Somerset
I-80 & Pehle Ave.	Saddle Brook	Bergen
3441 Black Horse Pike/ Rt 42 & Rt. 555	Sicklerville (Washington Twp.)	Camden
524 Sicklerville Rd. & Andrews	Sicklerville	Camden

144 Rt. 206 South & Park Ave.	Somerville	Somerset
900 Rt. 22 & Mercer St.	Somerville	Somerset
300 Dover Rd.	South Toms River	Ocean
336 Morris Ave. & Springfield Ave.	Summit	Union
1456 Teaneck Road & State St.	Teaneck	Bergen
209 Cedar Lane	Teaneck	Bergen
305 N. Main & Lein St.	Toms River	Ocean
924 Radio Rd./Ln. & Dyke Rd.	Tuckerton	Ocean
5681 Rte 42/Black Horse Pike & Greentree Rd.	Turnersville	Gloucester
1050 Salem Rd. & Vauxhall	Union	Union
2031 Rt. 22 West	Union	Union
725 Bloomfield Ave.	Verona	Essex
1812 S. Lincoln Ave. & Dante	Vineland	Cumberland
960 Black Horse Pike / 5440 Rt. 42	Washington Twp. (Turnersville)	Gloucester
229 Ogden + Georgetown	Wenonah	Goucester
594 N. Rte. 73 (corner of Lafayette)	West Berlin	Camden
899 Rt. 73 South & Jackson Rd.	West Berlin	Camden
50 Haddon Ave. & Albertson Ave.	Westmont	Camden
Cuthbert Rd. & McArthur Dr.	Westmont	Camden
170 S Black Horse Pike/Rt 42 & New Brooklyn Rd.)	Williamstown	Gloucester
2057 N Black Horse Pike/Rt 42E	Williamstown (Monroe Twp.)	Gloucester
102 JFK at Beverly Rancocoas	Willingboro	Burlington
1313 S Black Horse Pike	Winslow	Camden

ATTACHMENT B REGARDING SETTLEMENT PROCESS

The purpose of this Settlement Agreement is to resolve all potential liability of the Settling Parties within the State of New Jersey regarding groundwater natural resource damages, except as specifically provided otherwise therein. The Settling Parties have owned and/or operated chemical manufacturing facilities, petroleum refineries, petroleum blending facilities, petroleum pipeline facilities, petroleum product distribution and storage terminals, gasoline/service stations, underground storage tanks (UST) and piping within the State of New Jersey in the past. Some of these stations and UST sites have been closed. Many have been removed or transferred to other entities. Additionally, there are many records implicating the Settling Parties at other sites, for which the Settling Parties assert that they have no responsibility.

In order to accomplish the goal of resolving all potential liability of the Settling Parties for groundwater natural resource damages, realizing the number of sites and potential sites involved, and realizing that the Settling Parties no longer have authority to conduct investigations on many of the sites in question, and are disclaiming any liability at many potential sites, while maintaining authority to conduct investigations at other sites, the parties have all agreed to the following procedure to review, analyze and reach a settlement regarding groundwater natural resource damages:

All of the sites for which the Settling Parties are responsible for remediating have been inspected for leakage of hazardous substances and the total plume size has been determined for those sites. The Settling Parties are providing land to the state as compensatory ecological restoration for every acre of plume size at the remediation sites listed in Attachment A-1. The Settling Parties are also providing 100% compensation for the groundwater natural resource damages recoverable by the Department at the sites associated with the Star Enterprises divestiture, which are listed in Attachment A-2. This provides 100% compensation for the groundwater natural resource damages recoverable by the Department at those sites listed in both Attachments A-1 and A-2.

For the other sites from which the Settling Parties have divested themselves, the Settling Parties assert that they have indemnity agreements with the transferees of those sites and are to be indemnified by such transferees for any liability pertaining to those sites. The indemnity agreements have been produced to the Department, which has reviewed them in full. As a result, all parties hereto agree that should a claim be made against both the Settling Parties and the transferees, the Settling Parties' portion of any damages would be in doubt, and would likely be greatly reduced if any existed at all. Therefore, in order to buy their peace in this matter and fully resolve any potential liability as to these other divestiture sites, the Settling Parties are paying an additional premium for a release from any potential liability for any of those divestiture sites.

As to the aforementioned records implicating the Settling Parties at potential sites, for which the Settling Parties disclaim any liability, all parties hereto agree that there is doubt as to the liability of the Settling Parties and as to the amount of any potential damages if any liability does exist. In order to buy their peace in this matter and fully resolve any potential liability as to these records, the Settling Parties are paying an additional premium for a release from any potential liability for any of these sites referred to by the aforementioned records, and for any other sites known or unknown.

All of the above compensation, along with any additional compensation to be made to any entity for the maintenance of the lands involved in the settlement package after being transferred to the State, is agreed to be compensation to the State for natural resource damages pertaining to groundwater, and none of the compensation pertains in any way to fines or penalties. No fines or penalties have been proposed, asserted or imposed by the Department in this matter.

ATTACHMENT C-1. THE HACKETTSTOWN PROPERTY

Approximately 193.92 acres consisting of Block 901, Lot 37 of Allamuchy Township, Warren County, New Jersey, and Block 42, Lots 1 and 2, of Hackettstown, Warren County, New Jersey.

Attachment D
DEED OF CONSERVATION EASEMENT

This Deed of Conservation Easement ("Easement"), made this _____ day of _____, 200_. between _____ ("Grantor"), having a principal place of business at _____ and the New Jersey Department of Environmental Protection having its principal place of business at 401 East State Street, Trenton, New Jersey 08625 ("Grantee").

Witnesseth:

Whereas, Grantor is the sole owner in fee simple of real property that consists of approximately ___ acres of land, designated as Block _____, Lot _____ on the tax maps of the [Township, Borough, or City] of _____, County of _____, State of New Jersey, and more particularly described in a metes and bounds description of the property attached to and made a part here of as Schedule A (the "Property"); and

Whereas, the Property has resource qualities that provide natural resource services to the benefit of the general public by providing, among other such services, watershed protection, water quality protection, aquifer recharge potential, scenic vistas, a variety of wildlife habitat ("Conservation Values"); and

Whereas, the qualities of the Property are further documented in an inventory of the Property dated _____, and attached hereto as Schedule B ("Baseline Data Report"), which consists of reports, maps, photographs, and other documentation that the Grantor hereby represents provides an accurate representation of the Property at the time of this grant and which is intended to serve as baseline information for monitoring compliance with the terms of this grant; and

Whereas, Grantor intends, as owner of the Property, to convey to Grantee the right to preserve and protect the Conservation Values of the Property in perpetuity; and

Whereas, this Easement is entered into in accordance with the New Jersey Conservation and Historic Preservation Restriction Act, N.J.A.C. 13:8B-1 et seq., and shall be binding upon the Grantor its successors and assigns and upon the Grantee, its successors and assigns.

NOW THEREFORE, and in consideration of the execution by Grantee of a Restoration Administrative Consent Order, dated _____, for the settlement of the Grantee's claims against Grantor for natural resource injuries to ground water, the Grantor does hereby convey to the Grantee, a conservation easement in perpetuity, pursuant to the laws of New Jersey, for the exclusive purpose of assuring that the Conservation Values will be conserved and maintained forever and that uses of the Property that are inconsistent with the Conservation Values are prohibited and will be prevented or corrected.

I. Purpose. It is the purpose of this Easement to assure that the Conservation Values of

the Property will be retained forever; to prevent any use of the Property that will impair or interfere with the Conservation Values; and to encourage stewardship that is consistent with the terms of this Easement and provide for long term protection of the Conservation Values of the Property.

II. Prohibited Acts. Any activity on or use of the Property inconsistent with the purpose of this Easement is prohibited unless Grantor obtains the prior written consent of the Grantee to perform such activity or use. Without limiting the generality of the foregoing, the following activities and uses are expressly prohibited:

A. Subdivision and Development. Any new development or subdivision of the Property is expressly prohibited.

B. Structures. Construction on the Property of new structures, temporary or permanent is specifically prohibited. Construction on the Property of billboards and cellular phone towers, golf courses, airstrips, and helicopter pads are expressly prohibited.

C. Mining. No topsoil, sand, gravel, loam, rock, or other minerals shall be deposited on, excavated, dredged, or removed from, the Property.

D. Roads, Driveways and Impervious Cover. No portion of the Property shall be covered with concrete, asphalt, oiled stone, or any other impervious paving material. No new roads or driveways may be constructed on the property.

E. Trash. No dumping or placing of trash or solid waste shall be permitted on the Property.

F. Natural resource protection. No activity shall be permitted on the Property that would be detrimental to drainage, flood control, water conservation, erosion control, or soil conservation.

III. Rights of Grantor. The ownership rights of the Grantor extend to Grantor's personal representatives, heirs, successors, and assigns, and include, but are not limited to, the right to sell or otherwise transfer the Property.

IV. Right of First Refusal. Grantor and its successors and assigns agree to give the Grantee a Right of First Refusal to purchase the Property, which right shall be of perpetual duration. The conditions of this Right shall be such that whenever the Grantor receives a written offer from a person or persons to purchase all or any part of the Property, and Grantor accepts the offer subject to this Right of First Refusal, the Grantor shall notify the Grantee via certified mail of the offer. Grantee may elect to purchase the Property at the offered price and upon such other terms and conditions not less favorable to the Grantor than those contained in the conditionally accepted offer. Grantee shall have 90 calendar days to elect to purchase the Property and will notify the Grantor by certified mail of such an election. The Right of First

Refusal shall apply to all offers for interests in the Property.

V. **Rights of Grantee.** To accomplish the conservation purposes of this Easement the following rights are conveyed to the Grantee:

A. **Enforcement.** Grantee has the right to preserve and protect the Conservation Values of the Property.

B. **Inspection.** Grantee and its agents shall be permitted access to, and have the right to enter upon, the Property for the purposes of inspection in order to enforce and assure compliance with the terms and conditions of this Easement.

VI. **Responsibilities of Grantor and Grantee not affected.** Other than as specified herein, this Easement is not intended to impose any legal or other responsibility on the Grantee, or in any way to affect any existing obligations of the Grantor as owner of the Property. This shall apply to:

A. **Taxes.** Grantor shall continue to be solely responsible for payment of all taxes and assessments levied against the Property.

B. **Upkeep and Maintenance.** The Grantor, as owner of the Property, shall continue to be solely responsible for the upkeep and maintenance of the Property, to the extent it may be required by law. The Grantee shall have no obligation for the upkeep or maintenance of the Property. Nothing in this Easement shall require the Grantor to take any action to restore the condition of the Property after any Act of God or other event over which it had no control.

C. **Liability and Indemnification.** Grantor shall hold harmless, indemnify, and defend Grantee and its, employees, agents, and contractors, and their successors and assigns from and against all liabilities, penalties, costs, losses, damages, expenses, or claims, including, without limitation, attorneys fees, arising from or in any way connected with injury to or the death of any person or physical damage to any property resulting from any act, omission, condition, or other matter related to, or occurring on or about, the Property, regardless of cause, unless due solely to the negligence of any of the indemnified parties. Grantor's agreement to hold harmless and indemnify Grantee shall not affect any statutory protections available to the Grantor under the Landowner's Liability Act, N.J.S.A. 2A:42A-2, et seq.

VII. **Remedies.** The Grantee shall have the right to prevent and correct violations of the terms of this Easement. Enforcement of the terms of this Easement shall be at the discretion of the Grantee and any failure on behalf by the Grantee to exercise its rights hereunder shall not be deemed or construed to be a waiver of the Grantee of those rights. This shall be true regardless of the number of violations of the terms of this Easement by the Grantor that occur or the length of time it remains unenforced. If the Grantee finds what it believes is a violation of the terms of this Easement, it may without limitation as to other available legal recourse, at its discretion take any of the following action:

A. Notice of Violation; Corrective Action. If Grantee determines that a violation of the terms of this Easement has occurred or is threatened, Grantee may give written notice to Grantor of such violation and demand corrective action sufficient to cure the violation in accordance with a plan approved by the Grantee.

B. Injunctive Relief. If Grantor fails to cure the violation within 45 days after receipt of notice from the Grantee, or under circumstances where the violation cannot reasonably be cured with a 45-day period, fails to begin curing such violation, or fails to continue diligently to cure such violation until finally cured, Grantee may bring an action at law or in equity in a court of competent jurisdiction to enforce the terms of this Easement, to enjoin *ex parte* the violation by temporary or permanent injunction, and to require the restoration of the Property to the condition that existed prior to such injury. The Grantor acknowledges that any actual or threatened failure to comply or cure will cause irreparable harm to the Grantee and that money damages will not provide an adequate remedy.

C. Damages. Grantee shall be entitled to recover damages for violation of the terms of this Easement or injury to any Conservation Values protected by this Easement, including, without limitation, damages for the loss of Conservation Values. Without limiting Grantors' liability, Grantee, in its sole discretion, may apply any damages recovered to the cost of undertaking any corrective action on the Property.

D. Costs of Enforcement. In any case where a court finds that a violation has occurred, costs incurred by Grantee in enforcing the terms of this Easement against Grantor, including, without limitation, costs and expenses of suit, and attorney's fees, and any costs of restoration necessitated by Grantor's violation of the Easement shall be borne by the Grantor.

VIII. Development Rights. Grantor hereby grants to Grantee all development rights or credits that are now or hereafter allocated to, implied, reserved or inherent in the Property, and the parties agree that such rights are terminated and extinguished, and may not be used on or transferred to any portion of the Property as it now or hereafter may be bounded or described, or to any other property adjacent or otherwise, nor used for the purpose of calculating permissible lot yield on the Property or any other property.

IX. Grantor's Warranties.

A. Title. Grantor warrants good and sufficient title to the Property, free from all encumbrances and hereby promises to defend the same against all claims that may be made against it. Grantor warrants the Property to be free from all mortgages, liens, encumbrances, restrictions, covenants, and conditions.

B. Hazardous Substances. Grantor warrants no actual knowledge of the presence on the Property of a contaminant, as that term is defined at N.J.S.A. 58:10-23.11a. Grantor hereby promises to defend and indemnify Grantee against all litigation, claims, demands, penalties, and damages, arising from or connected with any discharge of hazardous substances or violation of

federal, state, or local environmental laws.

X. Amendment of Easement. This easement may be amended only with the written consent of Grantee and Grantor. Any such amendment shall be consistent with the purposes of this Easement and with the laws of the State of New Jersey and any regulations promulgated pursuant to those laws.

XI. Interpretation. This Easement shall be interpreted under the laws of the State of New Jersey, resolving any ambiguities and questions of the validity of specific provisions so as to give maximum effect to its conservation purposes.

XII. Perpetual Duration. This Easement shall be a servitude running with the land in perpetuity. Every provision of this Easement that applies to the Grantor or Grantee shall also apply to their respective agents, heirs, executors, administrators, assigns, and all other successors as their interests may appear.

XIII. Notices. Any notices required by this Easement shall be in writing and shall be personally delivered or sent by first class mail, to Grantor and Grantee at the following addresses, unless a party has been notified of a change of address:

To Grantor:
[insert legal address]

To Grantee:
New Jersey Dept. of Environmental Protection
C/o
Administrator
Office of Natural Resource Restoration
PO Box 404
501 East State Street
Trenton, NJ 08625

XIV. Throughout this Easement, the singular shall include the plural, and the masculine shall include the feminine unless the text indicates otherwise.

IN WITNESS WHEREOF, the Grantor has hereunder set his/her/their hand and seal on the day and year first written above.

Witness as to Signature of Grantor

[Name] Grantor

By:

Signature

Print Full Name Signed Above

Title

STATE OF NEW JERSEY)

ss.

COUNTY OF)

On _____, _____ personally appeared before me who I am satisfied is the person named in and who executed this Instrument and they acknowledged that they signed, sealed and delivered the same as their act and deed, for the uses and purposes therein expressed, and that the full and actual consideration paid or to be paid for this easement as such consideration is defined in P.L. 1969, c49 is reflected in the Restoration Administrative Consent Order, dated _____, referenced above.

Attachments:

Schedule A - Metes and Bounds Description and reduced survey

Schedule B - Baseline Data Report

Prepared by:

SCHEDULE A – METES AND BOUNDS DESCRIPTION OF THE PROPERTY

Metes and bounds description of the property based upon a survey prepared in accordance with New Jersey Green Acres, Minimum Specifications for Land Surveys and Property Descriptions,” which is available at: <http://www.state.nj.us/dep/greenacres>;

SCHEDULE B – DESCRIPTION OF THE PROPERTY [FROM NRD RULE]

1. Property location information, including:

- (l) Street address, municipality and county; and
- (i) Municipal tax block and lot numbers;

2. Property ownership information:

- (i) Name and address of each owner of the property;
- (ii) Description of any existing legal easements or other encumbrances, including how each easement or encumbrance will, or will not, inhibit implementation of or compliance with the compensatory restoration remedial action work plan the Department has approved;

3. Property description information, including:

- (i) Size, in acres;
- (ii) A preliminary assessment report for the property prepared pursuant to N.J.A.C. 7:26E-3.13, including, without limitation, an aerial photographic history of the property;
- (iii) Land use history of the property and within a 1,000 feet radius of the property, including a map and a written description and location of any past or present utility, building, road, or other improvement on the property;
- (iv) Contemporary digital photographs of the property;
- (v) Geographical information system maps compatible with the "New Jersey Department of Environmental Protection Mapping the Present to Protect New Jersey's Future: Mapping and Digital Data Standards," in N.J.A.C. 7:1D, Appendix A. For additional guidance see the most recent version of the Department's "Guidance for the Submission and Use of Data in GIS Compatible Formats Pursuant to Technical Requirements for Site Remediation" at <http://www.state.nj.us/dep/srp/regs/techgis/techgis05.htm>, that:
 - (A) Are on 8.5 inch by 11 inch paper (using multiple sheets if necessary), scaled at one inch to 200 feet or less, and clean, clear, and legible;
 - (B) Include a bar scale, a north arrow, a legend, the applicable Site Remediation Program Interest name and Site Remediation Program Interest number, the outline of the municipal tax blocks and lots on which the property is located, physical structures on the property, including buildings, roads, parking lots, pavement, and other improvements, surface water and wetlands located within the boundaries of the property and within one-half mile of the property, streets

and roads, and their names, all ground water recharge rates for the property, known contaminated sites within one-half mile of the property, open space, public property, other preserved property within one-half mile of the property, and the date prepared;

(C) A description of the land use on the proposed property and in the surrounding area;
and

(D) A topographic map that shows the location of the land proposed for transfer and or preservation.