

NEW YORK STATE DEPARTMENT OF ENVIRONMENTAL CONSERVATION

Office of the General Counsel

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www.dec.ny.gov

October 23, 2017

**SENT VIA FIRST CLASS MAIL AND BY
ELECTRONIC MAIL**

Mr. Patrick Monaghan, Esq.
Buckeye Partners, LP
One Greenway Plaza, Suite 600
Houston, TX 77046
pmonaghan@buckeye.com

Mr. Douglas S. Reinhart, Esq.
BP Products North America, Inc.
BP Legal
150 W. Warrenville Road
Mail Code 200-1W
Naperville, Illinois 60563

**RE: Order on Consent
Case No. 12-1111-A-SBC-2017
Site: 7425, 7431, 7433 and 7437 Hillside Road (Southern Terminals)
Site: 7430 Hillside Road (Northern Terminal)**

Dear Mr. Monaghan and Mr. Reinhart:

Enclosed to complete your files is a copy of the fully Executed Order on Consent referencing the Hillside Road Southern and Northern Terminal sites and Buckeye Pipe Line Company, L.P. and BP Products North America, Inc.

If you have any further questions or concerns relating to this matter, please contact attorney, Benjamin Conlon, at 518-402-9538.

Sincerely,



Maria Mastroianni
Remediation Bureau
Office of General Counsel



Department of
Environmental
Conservation

ec: Richard Brazell, PE, NYSDEC
Richard.brazell@dec.ny.gov

Benjamin Conlon, Esq., NYSDEC
Benjamin.conlon@dec.ny.gov

Wendy A. Marsh, Esq., Hancock Estabrook
wmarsh@hancocklaw.com

S. David Devaprasad, Esq., Devaprasad, PLLC
sdd@devalaw.com

STATE OF NEW YORK
DEPARTMENT OF ENVIRONMENTAL CONSERVATION

-----)(

In the matter of the Alleged Violations of
Article 3, 17 & 71 of the New York State Environmental
Conservation Law ("ECL"), Article 12 of the Navigation Law
of the State of New York and Title 6 and 17 of the Official
Compilation of Codes, Rules and Regulations ("6 NYCRR"
and "17 NYCRR") of the State of New York

-by-

Case No. 12-1111-A-SBC -2017

Buckeye Pipe Line Company, L.P.
BP Products North America Inc.;

Respondents.

-----)(

WHEREAS:

1. The New York State Department of Environmental Conservation (the "Department") is an agency of the State of New York ("State"), which, pursuant to Titles 3 and 10 of Article 17 of the Environmental Conservation Law ("ECL") and Article 12 of the Navigation Law, is authorized to regulate the storage and handling of petroleum, as well as the remediation of petroleum spills, in the State of New York.
2. Respondents are entities authorized to do business in the State of New York.
3. Respondents are included in list of parties that entered into a settlement agreement (dated December 15, 2008), and first amendment to the settlement agreement (dated June 17, 2009), with the State of New York (collectively "Settlement Agreement"), which are attached hereto as Exhibit A, and relate to 7425, 7431, 7433 and 7437 Hillside Road ("Southern Terminals") and 7430 Hillside Road ("Northern Terminal") in the Town of Lysander, Onondaga County, New York (collectively the "Site").
4. Navigation Law § 173 prohibits the discharge of petroleum and Navigation Law § 176 requires the timely remediation of any petroleum released (collectively, "NL").
5. The Department alleges that Respondents or their predecessors or successors in interest, as well as other entities that are not parties to this Order on Consent ("Consent Order" or "Order"), including the Southern Terminals Group (as defined below), have discharged petroleum in violation of the Navigation Law at the Site.

6. On or about August 25, 2016, to address Light Non-Aqueous Phase Liquid (“LNAPL”) petroleum contamination at, arising from or relating to the Site, TOC Terminals, Inc.; Tennessee Gas Pipeline Company; Tenneco, Inc.; Tenneco Oil Company; TransMontaigne Product Services LLC (formerly known as TransMontaigne Product Services Inc.) individually and as alleged successor to; Louis Dreyfus Energy Corp.; Corning Incorporated; Ashland, Inc.; Ashland Oil, Inc.; and Southern Oil Company of New York, Inc. (collectively the “Southern Terminals Group”), entered into an Order on Consent with the Department (“STG Consent Order”) to commence and thereafter fully implement the GES October 1, 2015 Remedial Action Work Plan prepared for the Cold Springs Terminal Mutual Defense Group (“October 1, 2015 RAP”) in accordance with the approved schedule in the October 1, 2015 RAP.
7. The Department alleges that Respondents or their predecessors or successors in interest, as well as the Southern Terminals Group and other parties that were Parties in the original Settlement Agreement, are responsible for remedial obligations, if any, relating to soil and groundwater as well as legal obligations for certain investigation and remediation responsibilities for the portion of the Site on which they or their predecessors conducted terminal operations at the Northern Terminal, as well as, for contamination that has emanated from those terminal operations, as well as proper closure of the Northern Terminal MOSF at the Site. While denying liability, Respondents affirmatively state that some of the contamination on the Site was caused by operations other than operations conducted on the Northern Terminals, and some of the contamination was caused by operations subsequent to their involvement in the operations at the Northern Terminal.
8. Respondents, without admitting or denying the allegations made and the violations alleged herein, agree to enter into this Consent Order to address dissolved phase groundwater and soil petroleum contamination at, arising from or relating to the Site, which work is preliminarily described in Respondents’ Work Plan for Dissolved-Phase Groundwater and Soil Petroleum Impact dated May 4, 2017 (“Work Plan Outline”). A Copy of the Work Plan Outline is attached as Exhibit B. Respondents have consented to this Consent Order pursuant to the provisions of the Navigation Law and Articles 17 and 71 of the ECL, and have agreed to be bound by the provisions, terms and conditions herein.
9. The existence of this Consent Order or Respondents’ compliance with this Order shall not be construed as an admission of liability or a finding of fault or wrongdoing by Respondents, and shall not give rise to any presumption of law or finding of fact which shall inure to the benefit of any third party.
10. For those alleged violations and remedial obligations not covered in this Order, Respondents understand that the Department may be commencing a

separate administrative action against any and all responsible parties, including the Southern Terminals Group and other third parties. The Department and the Respondents reserve any and all rights and defenses in any such separate action brought by the Department. The Respondents reserve any and all rights and defenses relating to other actions with any other parties which are not subject to this Order.

THE COMMISSIONER OF THE DEPARTMENT OF ENVIRONMENTAL
CONSERVATION HEREBY ORDERS THAT:

I. COMPLIANCE SCHEDULE

A. Upon the effective date of this Consent Order, this Consent Order shall supersede any Stipulation Agreement or any emergency authorization issued by the Department relating to the Respondents and shall govern hereinafter Respondents remedial activities required to remediate the Site, which activities are described in Exhibit B.

B. Respondents shall cooperate with and grant access (in areas where they have access or have been granted access, to the extent of their authorization for access) to the Southern Terminals Group, to do such work as required to complete the work required under the STG Consent Order.

C. Respondents submitted the Work Plan Outline to the Department Prior to the effective date of this Consent Order. The Department has received, reviewed, and hereby approves the Respondents' Work Plan Outline that is attached as Exhibit B.

D. Respondents shall submit to the Department a Remedial Action Workplan ("RAWP") consistent with the approved Work Plan Outline to address the dissolved phase groundwater and soil petroleum contamination at the Site within ninety (90) days of the effective date of this Consent Order, subject to prior removal of the above ground storage tanks ("ASTs").

E. The Department will review and provide comments to Respondents on the RAWP, in accordance with the provisions of this Order. All remedial or investigative plans or reports that Respondents must submit pursuant to this Order are subject to the Department's approval. Except as otherwise specifically provided, this approval process shall be as follows:

- (1) The Department shall make a good faith effort to review and respond in writing to the RAWP and each of the submittals Respondents make pursuant to this Order within sixty (60) days of each submittal. The Department's response shall include an approval or disapproval of the

submittal, in whole or in part. All Department-approved submittals shall be incorporated into and become an enforceable part of this Order.

- (2) If the Department disapproves a submittal, it shall specify the reasons for its disapproval. Within forty-five (45) days after the date of Respondents' receipt of the Department's written notice that Respondents' submittal has been disapproved, Respondents shall submit a revised submittal addressing the Department's comments. To the extent Respondents deem it necessary to have additional time to modify their submittal, Respondents may request such additional time with a justification for it. The Department's approval of such additional time shall not unreasonably be withheld.
- (3) After the Department's receipt of Respondents' revisions, the Department shall notify Respondents in writing of its approval or disapproval. If the Department approves the revised submission, Respondents shall implement it in accordance with the schedule and terms, as approved.
- (4) If the Department determines that Respondents have failed appropriately to address the Department's comments, Respondents shall be in violation of this Order and the Department may take enforcement action as it deems appropriate, and Respondents reserve any and all defenses they may have, including the right to invoke the dispute resolution procedure described in Section IX. Respondents reserve rights they may have to file an Article 78 to challenge any final decision of the Department.

F. The Department agrees that any modifications to the RAWP that it specifies will be reasonable to address the dissolved phase groundwater and soil petroleum contamination.

G. Respondents understand that an Environmental Easement and associated institutional controls may be required on the Site by the Department and/or implemented by the Respondents that once in place will limit the future use to commercial, industrial, or other such non-residential uses ("Institutional Controls"), and also limit cleanup objectives to industrial and/or commercial standards. Respondents have the authority to require the owners of the Southern Terminals to effectuate such Institutional Controls.

II. SPILL COMPENSATION FUND

Notwithstanding any other provision of this Order, if with respect to the Site there currently exists or may exist in the future a claim of any kind or nature on the part of the New York State Environmental Protection and Spill Compensation Fund ("Oil Spill Fund") against Respondents or any of its successors or assigns that has not been released under the

Settlement Agreement or the express terms of this Order, nothing in this Order shall be construed, or deemed, to preclude the State from recovering such claims including fines and/or penalties from Respondents or any of their successors or assigns. Respondents reserve any and all defenses they have to any such claims, and further reserve their rights to recover costs incurred under this Order from any third party, other than the State or Oil Spill Fund.

III. ACCESS

Respondents have access to the site necessary to perform Respondents' obligations under this Order. Respondents also have the authority to grant access to the Southern Terminals to the Southern Terminals Group necessary to perform their obligations under the STG Consent Order. If, in the future, Respondents no longer have the access or are unable to gain access to a location, which the Department has determined must be accessed for investigation and/or remediation required under this Order, or unable to obtain building, zoning or wetlands permits for the remediation work, solely at the request of Respondents, the Department agrees to the extent authorized by law, to assist the Respondents in gaining such access or permits. If, even with the Department assistance, such access is still unavailable to the Respondents, the Department will, to the extent that it deems necessary, legally obtain access for the Department's Contractors to implement Respondents' approved remedial action work plans, in which case the Department shall consider hiring the Respondents' contractor to do such work. Providing that such consideration must be consistent with the Department's normal contractual procurement procedures, if the Department has to utilize its Contractors, Respondents shall, within thirty (30) days of receipt of the bills, reimburse the Department for all costs that the State necessarily incurs to implement Respondents' approved remedial action work plans ("Departmental Contractual Costs"). Respondents' inability to gain access to a location which the Department has determined must be accessed pursuant to this Order, or to obtain any permits necessary for the remediation work in a timely manner, despite good faith efforts, shall not be deemed non-compliance with this Order.

IV. RESERVATION OF RIGHTS

A. If, for any other reason, Respondents fail to comply with any of the requirements of this Order, the Department reserves the right to perform the work. Under such circumstances, the Department will either bring administrative enforcement including cost recovery, or refer to the Attorney General a request that the Attorney General pursue Respondents or any of their successors or assigns, for reimbursement to the Oil Spill Fund [New York Navigation Law Article 12] of any costs relating to the work performed by the Department plus any applicable fines and/or penalties. Respondents reserve any and all defenses they have to any such actions.

B. The Department hereby reserves any and all rights or claims it may have relating to any Natural Resource Damage ("NRD") claims that may exist based on the release of petroleum into the environment from Respondents acts and/or

omissions at the Site. Respondents reserve any and all defenses that they may have relating to any NRD actions that may be brought by the Department.

C. The Department and the Respondents reserve any and all rights and defenses in any separate action brought by the Department. The Respondents reserve any and all rights and defenses relating to other actions with any other parties which are not subject to this Order.

V. PENALTIES

A. Respondents acknowledge that the Department has alleged non-compliance with the Navigation Law and ECL and that the Department therefore alleges that Respondents are liable to the State for statutory penalties. As a compromise of the Department's claim against Respondents, and without admitting that they are liable to the State for penalties, Respondents agree to pay to the Department a civil penalty in the amount of Five Hundred Thousand Dollars and No Cents (\$500,000.00) for the violations alleged herein, that shall be paid to the Department (pursuant to a separate agreement among the Respondents) upon Respondents' signing of this Order and its return to the Department.

B. In the event that the Respondents fail to fully comply with the requirements of the Order in a timely fashion, Respondent shall be subject to penalties of up to \$25,000 per day for Navigation Law violations pursuant to §192 of the Navigation Law.

C. The penalty assessed herein constitutes full settlement for past or future penalties against the Respondents in this case relating to the petroleum contamination at or emanating from the Site, except Respondents will be liable for further penalties at this site if they fail to timely comply with this order and any subsequent order or determination by the Commissioner relating to their liability to remediate the Site.

D. If the Southern Terminals Properties haven't been transferred to a public or not-for-profit entity or trust for use as public park or open space consistent with Institutional Controls, or other designated use as the Department may approve, within 5 years of the effective date of this Order, Respondents shall propose and upon the Department's approval, fund and implement another Environmental Benefit Project(s) (the "EBP(s)") that meets the Department's EBP Policy requirements. The total cost of the EBP(s) shall be a minimum of One Million Five Hundred Thousand Dollars and No Cents (\$1,500,000.00). If Respondents fail to propose, fund and implement the EBP(s) within 7 years of the effective date of this Order, Respondents shall pay an additional penalty of One Million Two Hundred Thousand Dollars and No Cents (\$1,200,000.00) instead of implementing the EBP(s).

VI. PAYMENT OF STATE COSTS

A. Within thirty (30) days of the effective date of this Consent Order, Respondents shall pay to the Department the amount of Forty-Five Thousand Dollars and No Cents (\$45,000.00) for Department oversight costs for the work to be completed under this order, which shall represent full settlement of Respondent's share of past and future oversight costs of the Department for the investigation and remediation of the Site, including, but not limited to 1) direct labor, 2) fringe benefits, 3) indirect costs, 4) travel incurred by the State, 5) negotiation of this Consent Order, 6) review of submittals and revised submittals made pursuant to this Consent Order (collectively, "Department Oversight Costs"). It is also expressly agreed that Department Oversight Costs shall not include any Department Contractual Costs which have been or which may be incurred by the State pursuant to the ECL or the NL.

B. The Department reserves its rights to seek payment of any additional State costs it has or will incur in the future for this site, other than those paid under this Order, from any and all responsible parties other than those that are settling under this Order.

VII. REMEDIATION

Within forty-five (45) days (or such other time as the Respondents and the Department may agree) of the Department's determination that the RAWP is approved, Respondents' shall commence and thereafter fully implement the RAWP in accordance with the approved schedule within the RAWP.

VIII. CLOSURE

The Department, upon submission by Respondents of satisfactory documentation (as set forth in the RAWP, Work Plan Outline, and any investigation plans) that Respondents have substantially complied with the requirements of this Order, shall issue a No Further Action letter (within a reasonable time period) confirming that Respondents have completed the requirements of the Order.

IX. DISPUTE RESOLUTION

A. In the event disputes arise under this Order, Respondent may, within fifteen (15) days after Respondent knew or should have known of the facts which are the basis of the dispute, initiate dispute resolution in accordance with the provisions of 6 NYCRR 375-1.5(b)(2).

B. All cost incurred by the Department associated with dispute resolution are State costs subject to reimbursement pursuant to this Order.

X. NOTICES

Any notice, request, consent, waiver or other communication required or permitted to be given throughout this Consent Order shall be effective only if in writing and shall be deemed sufficient only if delivered in person or sent by first class mail, e- mail, telecopy, overnight or by certified or registered mail, postage prepaid, return receipt requested, addressed as follows:

Consultant TBD

With a copy to:

To the Department:

Richard Brazell, P.E.
NYSDEC - Region 7
615 Erie Boulevard West Syracuse, New
York 13204
Richard.Brazell@dec.ny.gov

With Copy to:

Ben Conlon, Esq.
NYSDEC -Office of General Counsel
625 Broadway, 14th Floor
Albany, New York 12233-1500
Benjamin.conlon@dec.ny.gov

To Buckeye Pipe Line Company, L.P.:

Patrick Monaghan
Assistant General Counsel and Chief Compliance Officer
Buckeye Partners, L.P.
One Greenway Plaza, Suite 600
Houston, TX 77046

With copy to:

Wendy A. Marsh, Esq.
Hancock Estabrook
1500 AXA Tower I
100 Madison Street
Syracuse, NY 13202
Email: wmarsh@hancocklaw.com

To BP Products North America Inc.:

Douglas S. Reinhart, Senior Counsel
BP Legal
150 W. Warrenville Road
Mail Code 200-1W
Naperville, Illinois 60563

With copy to:

S. David Devaprasad, Esq.
Devaprasad pllc
119 Washington Avenue
Albany, New York 12210
Email: sdd@devalaw.com


Or such other people as the parties may designate.

XI. STANDARD PROVISIONS

Respondents shall comply with the standard provisions which are attached as Exhibit C, and which constitute material and integral terms of this Order and are hereby incorporated into this document.

DATED: October 19, 2017

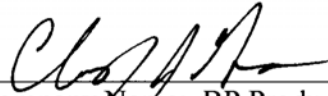
New York State Department of Environmental Conservation

By: 

CONSENT BY RESPONDENTS

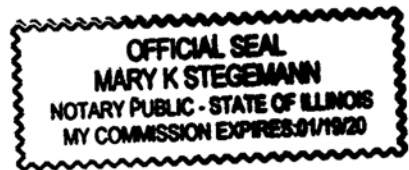
Respondents hereby consent to the issuing and entering of this Order without further notice, and agree to be bound by the terms, conditions and provisions contained in this Order.

10-03-2017
Date


Company Name: BP Products North America Inc.
Name: CHRISTOPHER GRECO
Title: VICE PRESIDENT

ACKNOWLEDGMENT

STATE OF Illinois
COUNTY OF DePue) ss:



On the 3rd day of October in
the year 2017, before me personally came Christopher Greco to
me known, who being by me duly sworn, did depose and say that he/she
is Vice President of BP Products North America
and that he/she executed the above instrument; and that he/she signed
his/her name thereto by authority of said company.

Notary Public, Signature and Office
of individual taking acknowledgment:



CONSENT BY RESPONDENTS

Respondents hereby consent to the issuing and entering of this Order without further notice, and agree to be bound by the terms, conditions and provisions contained in this Order.

9-13-17
Date

Robert A. Malecky
Company Name: Buckeye Pipe Line Company L.P.
Name: Robert A. Malecky
Title: President, Domestic Pipelines and Terminals
By: Mainline L.P. as its general partner
By: Mainline GP LLC as its general partner

ACKNOWLEDGMENT

STATE OF Pennsylvania
COUNTY OF Lehigh ss:

On the 13th day of September in the year 2017, before me personally came Robert A. Malecky to me known, who being by me duly sworn, did depose and say that he/she is Pres., Domestic Pipelines & Terminals of Buckeye Pipe Line Co., L.P. and that he/she executed the above instrument, and that he/she signed his/her name thereto by authority of said company.

Notary Public, Signature and Office
of individual taking acknowledgment:

Robin L. Billger

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
Robin L. Billger, Notary Public
Upper Macungie Twp., Lehigh County
My Commission Expires Aug. 4, 2021
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

EXHIBIT A

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is entered into and made by and between Stratus Petroleum Corp ; Buckeye Pipe Line Company; Buckeye Petrofuels Company; BP Products North America Inc.; IOC Terminals, Inc.; Tennessee Gas Pipeline Company; Tenneco, Inc.; Tenneco Oil Company; TransMontaigne Product Services Inc.; Louis Dreyfus Energy Corp.; Corning Incorporated formerly known as Corning Glass Works; Ashland, Inc.; Ashland Oil, Inc.; and Southern Oil Company of New York, Inc. ("Settling Defendants"); and the State of New York ("State") (sometimes referenced collectively herein as "Parties").

WHEREAS, pursuant to Article 12 of the New York Navigation Law, the New York Environmental Protection and Spill Compensation Fund ("Fund") has expended cleanup and removal costs in the amount of \$1,473,310.97 as of November 25, 2008 ("Past Costs"), associated with a petroleum discharge ("Discharge") at 7430 Hillside Road, 7431 Hillside Road, 7433 Hillside Road, and 7437 Hillside Road in the Town of Lysander, Onondaga County, New York ("Site"); and

WHEREAS, the Discharge was reported to the State on or about August 17, 1989, and was administratively designated by the State as Spill Number 89-04923 and PIN 99528; and

WHEREAS, pursuant to Article 12 of the New York Navigation Law, the State is authorized to recover from a responsible party, and the insurer thereof, all cleanup and removal costs expended by the Fund, interest thereon, and applicable penalties, associated with the Discharge at the Site; and

WHEREAS, the State has alleged that the Settling Defendants are responsible, in whole

or in part, for the Discharge at the Site, and has further alleged that the Settling Defendants are liable to the State for the cleanup and removal costs expended by the Fund related to the Discharge at the Site, and for interest thereon and applicable penalties; and

WHEREAS, the Settling Defendants have denied responsibility, in whole or in part, for the Discharge at the Site, and have further denied they are liable to the State for the cleanup and removal costs expended by the Fund related to the Discharge at the Site, and for interest thereon and applicable penalties; and

WHEREAS, the Parties are involved in litigation pending in the Supreme Court of the State of New York captioned : STATE OF NEW YORK v. STRATUS PETROLEUM CORP , BUCKEYE PIPE LINE COMPANY, BUCKEYE PETROFUELS COMPANY, ALASKAN OIL , BP PRODUCTS NORTH AMERICA INC. , IOC TERMINALS INC. , SUPREME ENERGY, LLC, COLD SPRINGS TERMINAL, LLC, FREDERICK KARAM, TENNESSEE GAS PIPELINE COMPANY, TENNECO, INC. , TENNECO OIL COMPANY, TRANSMONTAIGNE PRODUCT SERVICES INC. , LOUIS DREYFUS ENERGY CORP. , CORNING, INC. , CORNING GLASS WORKS, ASHLAND, INC. , and ASHLAND OIL, INC. , Defendants. ; BUCKEYE PIPE LINE COMPANY, Third-Party Plaintiff, v. TENNECO, INC. , LOUIS DREYFUS ENERGY SERVICES, LP, CORNING, INC. f/k/a CORNING GLASS WORK, AVFUEL CORPORATION, and JOHN DOE, Third-Party Defendants; STRATUS PETROLEUM CORP and IOC TERMINALS, INC. , Third-Party Plaintiffs, v TENNECO, INC. (now known as Tennessee Gas Pipeline Company), Third-Party Defendant; BP PRODUCTS NORTH AMERICA INC. , Third-Party Plaintiff, v. TENNESSEE GAS PIPELINE COMPANY, TENNECO, INC. , TENNECO OIL COMPANY, TRANSMONTAIGNE

PRODUCT SERVICES INC., LOUIS DREYFUS ENERGY CORP., CORNING, INC.,
CORNING GLASS WORKS, ASHLAND, INC., ASHLAND OIL, INC., SOUTHERN OIL
COMPANY OF NEW YORK, INC., AVFUEL CORPORATION, and ONTARIO FUELS
LTD., Third-Party Defendants, Index No. L-00092-07, RJI No. 01-07-090417 ("Litigation");
and

WHEREAS, it is the Parties' intent to resolve this matter amicably and in accordance
with the terms of this Agreement and by the execution thereof; and

WHEREAS, the Parties have reached an agreement to settle the Litigation pursuant to
which the Settling Defendants will compensate the State for a substantial portion of the damages
alleged in the State's amended complaint as set forth in a term sheet dated November 25, 2008,
executed by counsel for all of the Settling Defendants and the State ("Term Sheet"), and the
State has agreed to provide a release from liability on the terms set forth in the Term Sheet.

NOW THEREFORE, in consideration of the foregoing, the Parties do hereby agree as
follows:

1. The Parties hereby stipulate and agree to the terms set forth in the attached Term
Sheet dated November 25, 2008, which is hereby incorporated by reference as if set forth more
fully at length herein and which is attached as Exhibit A.
2. The Parties agree to enter into a stipulation to discontinue all claims,
counterclaims and cross claims in the Litigation by and between the Parties without prejudice.
3. In consideration of the agreement and as stipulated and agreed to in the attached
Term Sheet, the State shall provide a release to the Settling Defendants as set forth in the Term
Sheet and as reflected in the form annexed hereto as Exhibit B.

4. The Settling Defendants expressly waive any and all claims they now have, or may have in the future, as against the New York Environmental Protection and Spill Compensation Fund and relating to the Past Costs at the Site.

5. The Parties hereby expressly agree that this Agreement does not relate to or encompass any legal or equitable rights, claims, actions, proceedings, suits, causes of action, liabilities or demands that any Party may have against any other Party to this Agreement, or their heirs, distributees, representatives, predecessors, successors, and assigns, with respect to any matters not addressed in this Agreement or in the attached Term Sheet.

6. Nothing contained in this Agreement shall be construed as barring, diminishing, adjudicating or in any way affecting any legal or equitable rights, claims, actions, proceedings, suits, causes of action, liabilities or demands that the State or the Settling Defendants may have against anyone other than a party to this Agreement arising out of or in connection with the Discharge at the Site administratively designated as Spill Number 89-04923 and PIN 99528.

7. This Agreement shall inure to the benefit of and be binding upon the Parties, their heirs, distributees, representatives, predecessors, successors and assigns.

8. This Agreement, and the release contemplated by this Agreement, do not relate to or encompass any legal or equitable rights, claims, actions, proceedings, suits, causes of action, liabilities or demands which the State may have with respect to any contamination not known to DEC at the time this Agreement was executed.

9. Any notice, request, consent, waiver or other communication required or made pursuant to this Agreement shall be effective only in writing and shall be deemed sufficient only if delivered in person or sent by facsimile, overnight, or by certified or registered mail, postage

prepaid, return receipt requested, addressed as follows:

To the State:

New York State Office of the Attorney General
The Capitol
Albany, New York 12224
Attention: JEREMY R FEEDORE
Assistant Attorney General
Oil Spill Unit

To TransMontaigne Product Services Inc , individually and as alleged successor to Louis
Dreyfus Energy Corp.:

GOODWIN PROCTER LLP
The New York Times Building
620 Eighth Avenue
New York, NY 10018
Attention: Christopher J Garvey, Esq.
Ryan A. McDonald, Esq.

To Buckeye Pipe Line Company and Buckeye Petrofuels Company:

HANCOCK & ESTABROOK, LLP
1500 AXA Tower 1
100 Madison Street
Syracuse, New York 13202
Attention: David G. Linger, Esq.
Wendy A. Marsh, Esq.
Holly K. Austin, Esq.

To BP Products North America Inc.:

DANIELS & PORCO, LLP
119 Washington Avenue
Albany, New York 12210
Attention: S. David Devaprasad, Esq.
Stephanie A. Henry, Esq.
Heather N. Justice, Esq.

To Tennessee Gas Pipeline Company, Tenneco Inc., and Tenneco Oil Company:

HISCOCK & BARCLAY, LLP
1100 M&I Center

3 Fountain Plaza
Buffalo, New York 14202
Attention: Joseph M. Finnerty, Esq.
Karim A. Abdulla, Esq.

To Corning Incorporated formerly known as Corning Glass Works:

BOND, SCHOENECK & KING, PLLC
One Lincoln Center
Syracuse, New York 13202
Attention: Kevin M. Bernstein, Esq.
Thomas Smith, Esq.

To Ashland Inc., individually and as alleged successor to Southern Oil Company of New York, Inc.:

EDWARDS ANGELL PALMER & DODGE LLP
750 Lexington Avenue
New York, New York 10022
Attention: Dennis M. Reznick, Esq.
Steven M. Lucks, Esq.
Andrew Fishkin, Esq.

To Stratus Petroleum Corp., and IOC Terminals, Inc.:

BRAVERMAN & ASSOCIATES, P.C.
331 Madison Avenue, Second Floor
New York, New York 10017
Attention: Debra L. Rothberg, Esq.
Sandra K. Leber, Esq.

10. This Agreement and the Term Sheet annexed hereto represent the full and complete understanding and agreement between the Parties with respect to the matter of the State's claims for past cleanup and removal costs expended by the State, interest thereon, and applicable penalties relating to the past remediation of contamination resulting from the Discharge at the Site, administratively designated as Spill Number 89-004923 and PIN 99528, and may not be amended or modified except by writing signed by each Party herein.

11. This Agreement may be executed in counterparts and, as so executed, shall

constitute one single, original agreement binding on the Parties.

12. Only those rules of interpretation or construction of contracts in general shall apply to this Agreement. Each of the Parties hereto participated in negotiating and drafting this Agreement such that it is the intent of the Parties that no Party shall be deemed to be the drafter of the Agreement, or any of its provisions.

13. With the exception of a proceeding to enforce this Agreement, including the terms in the attached Term Sheet, this Agreement shall not be admissible in any proceeding, and shall not be construed as any admission of liability by any settling Party

14. If any section of this Agreement is held to be invalid, unenforceable or void, for any reason whatsoever, or otherwise modified or stricken by a court, each such portion, provision or part shall be severed from the remaining portions, provisions or parts of this Agreement, and shall not affect the validity or enforceability of such remaining portions, provisions or parts, which shall continue to be binding, unless the effect of severance of such provision shall make continued performance under this Agreement impossible or unless the severance deprives a Party of a material and substantial part of the benefit of its respective bargain in which case the Parties hereto agree to negotiate in good faith and promptly agree to a replacement provision that restores the Parties' original intent.

15. By signing this Agreement, the Parties attest that the signatory on each Party's behalf is vested with the full authority of the party to sign for and bind that party to this Agreement.

DAIED: December 15, 2008

State of New York

By: 

HON. ANDREW M. CUOMO
Attorney General of the State of NY
Jeremy R. Feedore, Assistant
Attorney General
Office of the Attorney General
Civil Recoveries Bureau, Oil Spill
Unit
The Capitol
Albany, New York 12224

*TransMontaigne Product Services Inc.,
individually and as alleged successor to Louis
Dreyfus Energy Corp.*

By: 

GOODWIN PROCTER LLP
Christopher J. Garvey, Esq.
Ryan A. McDonald, Esq.
The New York Times Building
620 Eighth Avenue
New York, NY 10018

*Buckeye Pipe Line Company and Buckeye
Petrofuels Company*

By: 

HANCOCK & ESTABROOK, LLP
David G. Linger, Esq.
Holly K. Austin, Esq.
Wendy Marsh, Esq.
1500 AXA Tower 1
100 Madison Street
Syracuse, New York 13202

BP Products North America Inc.

By: 

DANIELS & PORCO, LLP
S. David Devaprasad, Esq.
Stephanie A. Henry, Esq.
Heather N. Justice, Esq.
119 Washington Avenue
Albany, New York 12210

Tennessee Gas Pipeline Company, Tenneco Inc., and Tenneco Oil Company

By: 

HISCOCK & BARCLAY, LLP

Joseph M. Finnerty, Esq.

Karim A. Abdulla, Esq.

1100 M&T Center

3 Fountain Plaza

Buffalo, New York 14202

Corning Incorporated formerly known as Corning Glass Works

By: 

BOND, SCHOENECK & KING,
PLLC

Kevin M. Bernstein, Esq.

Thomas Smith, Esq.

One Lincoln Center

Syracuse, New York 13202

Ashland Inc., individually and as alleged successor to Southern Oil Company of New York, Inc.

By: 

EDWARDS ANGELL PALMER &
DODGE LLP

Andrew P. Fishkin, Esq.

Dennis M. Reznick, Esq.

Steven M. Lucks, Esq.

750 Lexington Avenue

New York, New York 10022

*Stratus Petroleum Corp.,
and TOC Terminals, Inc*

By: 

BRAVERMAN & ASSOCIATES,
P.C.

Debra L. Rothberg, Esq.

Sandra K. Leber, Esq.

331 Madison Avenue, Second Floor

New York, New York 10017

Exhibit A

TERM SHEET
FOR SETTLEMENT PURPOSES AND DISCUSSION ONLY; NON-BINDING

1) Settling Defendants¹ will pay the State of New York ("State") 75% of the State's past cleanup costs incurred as of the date of the agreement, plus 75% of any costs incurred by the State subsequent to the date of the agreement and during the ADR process for routine operation, maintenance, and sampling at the Site² as subject to the provisions of Paragraph 2 (principal only; no interest or penalties) (collectively "Past Costs"), within 60 days of the completion of the ADR process between the Settling Defendants (which will be completed within 1 year of the date the settlement agreement is executed by all parties). The Settling Defendants collectively agree to make payment of the costs referenced in this paragraph in full, regardless of the outcome of the ADR. The Settling Defendants understand that the State shall issue its "standard" release, annexed hereto, upon execution of the settlement agreement by all settling parties.

2) The remaining 25% of Past Costs, together with costs accrued during the pendency of litigation (subject to a Court determination allowing the State to include additional costs in the Supreme/Karam action), interest and any penalty will continue to be the subject of the State's action against Supreme Energy LLC, Cold Spring Terminal LLC, Frederick Karam, and Alaskan Oil, Inc. ("Non-Settling Defendants").

a) The State agrees to obtain a description of the work DEC intends to perform during the next 12 months at the Site. The State agrees that, to the extent possible, the work performed shall be limited to routine operations, maintenance and sampling at the Site. Should circumstances arise that require activities other than routine operations, maintenance and sampling, Settling Defendants shall receive notice to that effect. The parties understand that a settlement with the Settling Defendants shall not prevent the DEC from performing work it determines is necessary to cleanup and remove petroleum contamination at the Site.

b) The State will provide notice to the Settling Defendants of any costs incurred during the ADR process in excess of \$250,000, and the State shall reserve its rights to recover such costs from any party in the event that Settling Defendants do not otherwise agree to pay such additional costs to the State.

c) The State will continue its prosecution of the Non-Settling Defendants to completion (e.g., obtaining a judgment and corresponding lien, preservation of the environmental lien³

¹ Settling Defendants shall be defined as Stratus Petroleum Corp.; Buckeye Pipe Line Company; Buckeye Petrofuels Company; BP Products North America Inc.; TOC Terminals, Inc.; Tennessee Gas Pipeline Company; Tenneco, Inc.; Tenneco Oil Company; TransMontaigne Product Services Inc.; Corning, Inc.; Corning Glass Works; Ashland, Inc.; Ashland Oil, Inc.; and Southern Oil Company of New York, Inc.

² "Site" collectively refers to real property located at and in the vicinity of 7430 Hillside Road (including any petroleum storage facilities, tanks, systems, equipment, or other structures or containers located thereon), 7431 Hillside Road (including any petroleum storage facilities, tanks, systems, equipment, or other structures or containers located thereon), 7433 Hillside Road (including any petroleum storage facilities, tanks, systems, equipment, or other structures or containers located thereon), and 7437 Hillside Road (including any petroleum storage facilities, tanks, systems, equipment, or other structures or containers located thereon) in the Town of Lysander, County of Onondaga, State of New York.

³ The Parties understand that the environmental lien may only be maintained to the extent of unpaid Spill Fund costs.

etc.), including any trial and appeals. Any appeal from an adverse decision at the trial level shall be at the sole discretion of the State.

d) If the State is unable to successfully enforce its judgment against and obtain payment from the Non-Settling Defendants within nine months of entry of a judgment against the Non-Settling Defendants or entry of a decision following an appeal by any of the Non-Settling Defendants, or through such enforcement obtains an amount less than the remaining 25% of Past Costs against the Non-Settling Defendants, the State may at its sole option elect to assign the judgment to the Settling Defendants (or their nominees) of past costs and unpaid costs that accrued during the ADR. The assignment shall be limited to the State's claims for unpaid costs and interest exclusive of penalties, the State retaining the right to enforce same. The Settling Defendants collectively agree to pay the 25% of Past Costs, less any amounts recovered as a result of the judgment enforcement, in full within 60 days of the completion of the State's judgment enforcement against Non-Settling Defendants, regardless of the outcome of the State's judgment enforcement.

3) To the extent allowed by law, the State will continue to maintain its environmental lien against the subject properties of the Non-Settling Defendants until such time as the judgment has been satisfied or assigned to the Settling Defendants or as may be otherwise directed by court order.

4) The State and Settling Defendants agree to cooperate with each other to the extent necessary and to use their best efforts to support and assist the State's prosecution of the State's action against Non-Settling Defendants, and the State's or Settling Defendants' attempts to enforce any judgments against the Non-Settling Defendants, including the production of representative witnesses.

5) As part of the ADR process between the Settling Defendants, there will be prepared by a consultant retained by the Settling Defendants, a proposed remedial action plan for the completion of the investigation, cleanup and remediation of the Site which is acceptable to the New York State Department of Environmental Conservation ("Remediation"). The Settling Defendants shall produce a remedial action plan by or before the conclusion of the ADR or one year from the date the agreement is executed by all parties and submit same to the DEC for review and approval of same, provided however, that Settling Defendants are permitted access to the Site for such purposes.

6) The Settling Defendants may agree to undertake and fund the Remediation ("Future Remediation Costs") in accordance with their agreement and allocations obtained in the ADR and/or subsequent contribution litigation between all defendants. If the Settling Defendants do not agree to undertake and fund the Remediation within 60 days of the completion of the ADR process and/or approval of the remedial action plan which ever is later, the State reserves its rights to complete remediation and seek indemnification from any potentially responsible party, including Settling Defendants, and Settling Defendants reserve all their rights, claims, and defenses to any such action. Any findings, conclusions, or decisions with respect to allocation of Future Remediation Costs are non-binding as to the Settling Defendants under the terms of this agreement.

7) The State and Settling Defendants agree to execute a tolling agreement before the pending action is discontinued. The limitations period under the tolling agreement shall respectively

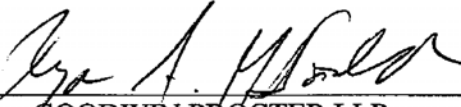
relate back to the commencement of the State's action against each of the respective Settling Defendants.

8) The settlement between the State and the Settling Defendants in no way compromises, limits or impairs the State's ability to assert joint and several liability, or the Settling Defendants' ability to assert any rights, claims or defenses to such in future litigation, should that be necessary. The parties hereto acknowledge that the ADR process, including any determinations therein, is neither admissible in nor binding upon them in any such litigation.

9) The State and Settling Defendants agree to cooperate with each other to the extent necessary and to use their best efforts in order to secure access to the Site for the Settling Defendants in order to carry out any requirements under the agreement, such as the preparation of a remedial action plan and the potential future remediation of the Site.

Dated: November 18, 2008

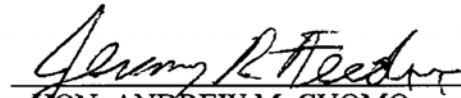
By:



GOODWIN PROCTER LLP
Christopher J. Garvey, Esq.
Ryan A. McDonald, Esq.
The New York Times Building
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New York, NY 10018

*Attorneys for TransMontaigne Product
Services Inc.*

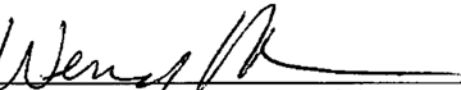
By:



HON. ANDREW M. CUOMO,
Attorney General of the State of New
York
Jeremy R. Feedore, Assistant
Attorney General
Office of the Attorney General
Civil Recoveries Bureau, Oil Spill
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The Capitol
Albany, New York 12224

Attorneys for the State of New York

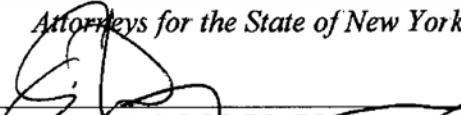
By:



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1500 AXA Tower 1
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*Attorneys for Buckeye Pipe Line
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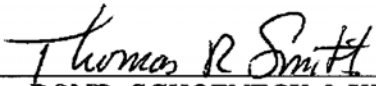
*Attorneys for BP Products North
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Joseph M. Finnerty, Esq.
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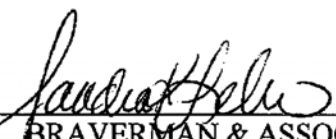
*Attorneys for Corning, Inc.
and Corning Glass Works*

By:


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Attorneys for Ashland Inc

By:


BRAVERMAN & ASSOCIATES,
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Debra L. Rothberg, Esq.
Sandra K. Leber, Esq.
331 Madison Avenue, Second Floor
New York, New York 10017

*Attorneys for Stratus Petroleum Corp.,
and TOC Terminals, Inc.*

Exhibit B

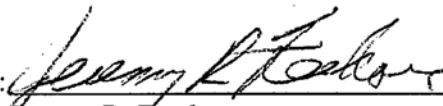
RELEASE

IN CONSIDERATION OF THE MUTUAL PROMISES AND OBLIGATIONS SET FORTH IN A CERTAIN SETTLEMENT AGREEMENT ENTERED INTO BETWEEN THE PARTIES EFFECTIVE AS OF DECEMBER 15, 2008, AND SUBJECT TO THE TERMS AND CONDITIONS CONTAINED THEREIN, the State of New York, acting by and through its Attorney General by Jeremy R. Feedore, Assistant Attorney General (the "State"), does hereby release, acquit and forever discharge with prejudice Stratus Petroleum Corp., Buckeye Pipe Line Company, Buckeye Petrofuels Company, BP Products North America Inc., IOC Terminals, Inc., Tennessee Gas Pipeline Company, Tenneco, Inc., Tenneco Oil Company, TransMontaigne Product Services Inc., Louis Dreyfus Energy Corp., Corning, Inc. formerly known as Corning Glass Works, Ashland, Inc., and Ashland Oil, Inc., and each of their respective predecessors, successors, heirs, assigns, and past, present and future parents, related and subsidiary affiliates, officers, shareholders, directors, agents, employees, distributors, partners, attorneys, executors, guardians and/or administrators, associations, corporations, companies, carriers, suppliers and/or insurers, from any liability to the State for all investigation, cleanup and removal costs expended by the State, all interest accrued thereon, and any penalties, relating to discharge of petroleum product prior to the date of this Release at 7430 Hillside Road, 7431 Hillside Road, 7433 Hillside Road, and 7437 Hillside Road in the Town of Lysander, Onondaga County, New York ("the Site"), which was administratively designated by the State as Spill Number 89-04923 and PIN 99528 and is the subject of the action entitled *State of New York v. Stratus Petroleum Corp., et al.*, in the New York State Supreme Court for Albany County, Index # L-0092-07.

This release is executed without prejudice to the State's right to pursue any legal or equitable rights, claims, actions, proceedings, suits, causes of action, liabilities or demands which the State may have with respect to any investigation, cleanup and removal costs expended by the State relative to the Site after the date of this Release.

Dated: Albany, New York
December 15, 2008

ANDREW M. CUOMO
Attorney General of the State of New York

By: 
Jeremy R. Feedore
Assistant Attorney General
State of New York
Office of the Attorney General
Civil Recoveries Bureau, Oil Spill Unit
The Capitol
Albany, New York 12224

FIRST AMENDMENT TO SETTLEMENT AGREEMENT

This First Amendment to the December 15, 2008, Settlement Agreement ("Amendment"), is entered into and made by and between Stratus Petroleum Corp ; Buckeye Pipe Line Company; Buckeye Petrofuels Company; BP Products North America Inc ; TOC Terminals, Inc ; Tennessee Gas Pipeline Company; Tenneco, Inc ; Tenneco Oil Company; TransMontaigne Product Services Inc., individually and as alleged successor to Louis Dreyfus Energy Corp ; Corning Incorporated, formerly known as Corning Glass Works; Ashland, Inc , individually and as alleged successor to Southern Oil Company of New York, Inc ("Settling Defendants"); and the State of New York ("State") (sometimes referenced collectively herein as the "Parties").

WHEREAS, the Parties entered into a Settlement Agreement dated December 15, 2008 ("Agreement"), relative to the Litigation (as defined in the Agreement);

WHEREAS, the Parties wish to amend the terms of such Agreement in order to resolve additional aspects of the Litigation; and

NOW, THEREFORE, in consideration of the foregoing, the Parties do hereby agree as follows:

1. The Settling Defendants shall complete the ADR process within one (1) year of the date that this Amendment has been executed by all Parties.
2. The Settling Defendants shall pay one hundred percent (100%) of the Past Costs (as defined in the Agreement), within sixty (60) days of the completion of the ADR process. The Settling Defendants collectively agree to make payment of the Past Costs in full, regardless of the outcome of the ADR process.
3. The Past Costs paid by the Settling Defendants, however, shall be reduced by any amount of Past Costs recovered by the State from any non-party.

4 The State shall, upon Settling Defendants' payment of the Past Costs, provide a release to the Settling Defendants with respect to all Past Costs, including all corresponding interest and penalties relative to such Past Costs, in the form as set forth in **Exhibit A**.

5. Parties agree that the previously executed Stipulation of Discontinuance of all claims, cross-claims, third-party claims and counter-claims in the Litigation between the State, Settling Defendants, Karam Defendants, and Alaskan Oil, Inc. may be filed with the Court contemporaneously with the execution of this Amendment. Additionally, the settlement agreement by and between Alaskan Oil, Inc. and the Settling Defendants shall be executed contemporaneously with the execution of this Amendment.

6. Upon execution by the Karam Defendants and Alaskan Oil, Inc., respectively, of the stipulation of discontinuance, and Alaskan Oil, Inc.'s execution of the settlement agreement as set forth above, and the execution of this Amendment by all Parties, the State may issue releases of the current environmental liens relative to the Site in the forms as set forth in **Exhibit B**, and releases to the Karam Defendants and Alaskan Oil, Inc. in the forms as set forth in **Exhibit C**. Said releases of environmental liens shall be executed by the Fund within sixty days of the signing of this Agreement and shall be furnished in escrow to the attorneys for the Karam Defendants as to the portions of the Site owned by the Supreme Defendants, and to the attorneys for Buckeye for the portions of the Site owned by Buckeye and released by the escrow agent only upon payment of the Settlement Amount to the State.

7. To the extent there is an operating terminal on any portion of the Site, which is defined collectively as 7430 Hillside Road ("Buckeye Premises"), 7429 and 7431 Hillside Road (the "Cold Springs Premises") and 7433 and 7437 Hillside Road (the "Supreme Premises"), after the date of this Amendment, such operation will be considered by the New York State Department of Environmental Conservation to establish less stringent alternative cleanup

standards to achieve in order to close Spill Number 89-04923, and which may allow some level of contamination to remain in place beneath the Site.

8. The State, or any successor or assign thereof, shall not have any right, claim or cause of action to recover against any future owner of the Buckeye Premises for any part of the Settlement Amount or for any remediation costs or expenses incurred beyond the Settlement Amount in connection with the remediation of contamination existing as of the date hereof, provided:

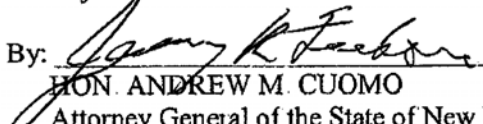
- a The future owner has no relationship to the Party making the conveyance, and the conveyance and purchase is made in good faith and at arms length;
- b The future owner agrees in writing, contemporaneously with such conveyance and purchase, to waive any claims against the State for any past or future environmental investigation, cleanup, removal or remediation costs or damages relative to environmental discharges and contamination which occurred prior to the date such future owner acquired its ownership interest in the Buckeye Premises; and
- c The future owner agrees in writing, contemporaneously with such conveyance and purchase, to defend and hold harmless the State from and against any claims or damages related to environmental discharges and contamination which occurs as a result of such future owner's use, occupation, and operation of the Site.
- d The future owner agrees in writing, contemporaneously with such conveyance and purchase, to provide access to the Site to the Settling Defendants, or to any designee of the Settling Defendants, for the purpose of remediation.

9 Except as amended herein, all of the remaining terms, provisions, and conditions of the Agreement shall remain in full force and effect, and are incorporated herein by reference.


10 This Amendment may be executed in counterparts and, as so executed, shall constitute one single, original agreement binding on the Parties.

11. The signatory on each Party's behalf is vested with the full authority of the party to sign for and bind that party to this Amendment.

State of New York

By: 
HON. ANDREW M. CUOMO
Attorney General of the State of New York
Jeremy R. Feedore, Ass't Attorney General
Office of the Attorney General
Civil Recoveries Bureau, Oil Spill Unit
The Capitol
Albany, New York 12224
Dated: MAY 20, 2009

*TransMontaigne Product Services Inc.,
individually and as alleged successor to Louis
Dreyfus Energy Corp*

By: 
GOODWIN PROCTER LLP
Christopher J. Garvey, Esq.
Ryan A. McDonald, Esq.
The New York Times Building
620 Eighth Avenue
New York, NY 10018
Dated: MAY 20, 2009

*Buckeye Pipe Line Company and Buckeye
Petrofuels Company*

By: _____
HANCOCK & ESTABROOK, LLP
David G. Linger, Esq.
Holly K. Austin, Esq.
Wendy Marsh, Esq.
1500 AXA Tower 1
100 Madison Street
Syracuse, New York 13202
Dated: _____, 2009

BP Products North America Inc

By: _____
DANIELS & PORCO, LLP
S David Devaprasad, Esq.
Stephanie A. Henry, Esq.
Heather N. Justice, Esq.
119 Washington Avenue
Albany, New York 12210
Dated: _____, 2009

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State of New York

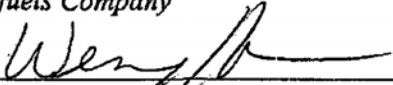
*TransMontaigne Product Services Inc ,
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By: _____
HON. ANDREW M. CUOMO
Attorney General of the State of New York
Jeremy R. Feedore, Ass't Attorney General
Office of the Attorney General
Civil Recoveries Bureau, Oil Spill Unit
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Dated: _____, 2009

By: _____
GOODWIN PROCTER LLP
Christopher J. Garvey, Esq.
Ryan A. McDonald, Esq.
The New York Times Building
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New York, NY 10018
Dated: _____, 2009

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BP Products North America Inc.

By:  _____
HANCOCK & ESTABROOK, LLP
David G. Linger, Esq.
Holly K. Austin, Esq.
Wendy Marsh, Esq.
1500 AXA Tower 1
100 Madison Street
Syracuse, New York 13202
Dated: May 12, 2009

By: _____
DANIELS & PORCO, LLP
S. David Devaprasad, Esq.
Stephanie A. Henry, Esq.
Heather N. Justice, Esq.
119 Washington Avenue
Albany, New York 12210
Dated: _____, 2009

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State of New York

By: _____
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Attorney General of the State of New York
Jeremy R. Feedore, Ass't Attorney General
Office of the Attorney General
Civil Recoveries Bureau, Oil Spill Unit
The Capitol
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Dated: _____, 2009

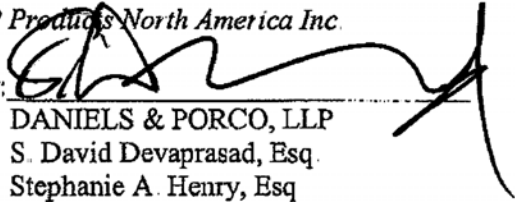
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By: _____
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Christopher J. Garvey, Esq.
Ryan A. McDonald, Esq.
The New York Times Building
620 Eighth Avenue
New York, NY 10018
Dated: _____, 2009

*Buckeye Pipe Line Company and Buckeye
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By: _____
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Dated: _____, 2009

BP Products North America Inc

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DANIELS & PORCO, LLP
S. David Devaprasad, Esq.
Stephanie A. Henry, Esq.
Heather N. Justice, Esq.
119 Washington Avenue
Albany, New York 12210
Dated: June 17, 2009

*Tennessee Gas Pipeline Company, Tenneco
Inc., and Tenneco Oil Company*

By: 

HISCOCK & BARCLAY, LLP

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Karim A. Abdulla, Esq

1100 M&T Center

3 Fountain Plaza

Buffalo, New York 14202

Dated: May 21, 2009

*Corning Incorporated, formerly known as
Corning Glass Works*

By: _____

BOND, SCHOENECK & KING, PLLC

Kevin M. Bernstein, Esq.

Thomas Smith, Esq

One Lincoln Center

Syracuse, New York 13202

Dated: _____, 2009

*Ashland, Inc., individually and as alleged
successor to Southern Oil Company of New
York, Inc.*

By: _____

EDWARDS ANGELL PALMER &
DODGE LLP

Andrew P. Fishkin, Esq

Dennis M. Reznick, Esq.

Steven M. Lucks, Esq.

750 Lexington Avenue

New York, New York 10022

Dated: _____, 2009

*Stratus Petroleum Corp.
and TOC Terminals, Inc*

By: _____

BRAVERMAN & ASSOCIATES, P C

Sandra K. Leber, Esq.

331 Madison Avenue, Second Floor

New York, New York 10017

Dated: _____, 2009

Tennessee Gas Pipeline Company, Tenneco Inc., and Tenneco Oil Company

By: _____
HISCOCK & BARCLAY, LLP
Joseph M. Finnerty, Esq.
Karim A. Abdulla, Esq.
1100 M&T Center
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Buffalo, New York 14202
Dated: _____, 2009

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By: Thomas R. Smith
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Kevin M. Bernstein, Esq.
Thomas Smith, Esq.
One Lincoln Center
Syracuse, New York 13202
Dated: May 12, 2009

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Dennis M. Reznick, Esq.
Steven M. Lucks, Esq.
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Dated: _____, 2009

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By: _____
BRAVERMAN & ASSOCIATES, P.C.
Sandra K. Leber, Esq.
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Dated: _____, 2009

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Thomas Smith, Esq.
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Syracuse, New York 13202
Dated: _____, 2009

Ashland, Inc., individually and as alleged successor to Southern Oil Company of New York, Inc.

By: Michael S. Roe
Michael S. Roe, Esq.
Assistant General Counsel
Dated: June 9, 2009

Stratus Petroleum Corp., and TOC Terminals, Inc

By: _____
BRAVERMAN & ASSOCIATES, P.C.
Sandra K. Leber, Esq.
331 Madison Avenue, Second Floor
New York, New York 10017
Dated: _____, 2009

Tennessee Gas Pipeline Company, Tenneco Inc., and Tenneco Oil Company

By: _____
HISCOCK & BARCLAY, LLP
Joseph M. Finnerty, Esq.
Karim A. Abdulla, Esq.
1100 M&T Center
3 Fountain Plaza
Buffalo, New York 14202
Dated: _____, 2009

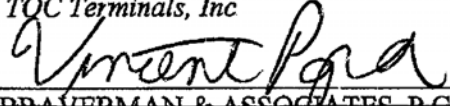
Ashland, Inc., individually and as alleged successor to Southern Oil Company of New York, Inc.

By: _____
EDWARDS ANGELL PALMER &
DODGE LLP
Andrew P. Fishkin, Esq.
Dennis M. Reznick, Esq.
Steven M. Lucks, Esq.
750 Lexington Avenue
New York, New York 10022
Dated: _____, 2009

Corning Incorporated, formerly known as Corning Glass Works

By: _____
BOND, SCHOENECK & KING, PLLC
Kevin M. Bernstein, Esq.
Thomas Smith, Esq.
One Lincoln Center
Syracuse, New York 13202
Dated: _____, 2009

*Stratus Petroleum Corp.,
and TOC Terminals, Inc.*

By: 
~~BRAVERMAN & ASSOCIATES, P.C.~~
~~Sandra K. Leber, Esq.~~
~~331 Madison Avenue, Second Floor~~
~~New York, New York 10017~~
Dated: June 17, 2009

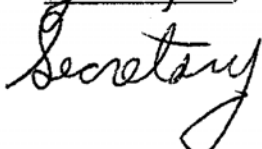

Secretary

Exhibit A

RELEASE

IN CONSIDERATION OF THE MUTUAL PROMISES AND OBLIGATIONS SET FORTH IN A CERTAIN SETTLEMENT AGREEMENT ENTERED INTO BETWEEN THE PARTIES EFFECTIVE AS OF DECEMBER 15, 2008, AND A FIRST AMENDMENT THERETO EFFECTIVE AS OF JUNE 17, 2009, AND SUBJECT TO THE TERMS AND CONDITIONS CONTAINED THEREIN, the State of New York, acting by and through its Attorney General by Jeremy R. Feedore, Assistant Attorney General (the "State"), does hereby release, acquit and forever discharge with prejudice Stratus Petroleum Corp., Buckeye Pipe Line Company, Buckeye Petrofuels Company, BP Products North America Inc., TOC Terminals, Inc., Tennessee Gas Pipeline Company, Tenneco, Inc., Tenneco Oil Company, TransMontaigne Product Services Inc., individually and as alleged successor to Louis Dreyfus Energy Corp., Corning Incorporated formerly known as Corning Glass Works, and Ashland, Inc., individually and as alleged successor to Southern Oil Company of New York, Inc., and each of their respective predecessors, successors, heirs, assigns, and past, present and future parents, related and subsidiary affiliates, officers, shareholders, directors, agents, employees, distributors, partners, attorneys, executors, guardians and/or administrators, associations, corporations, companies, carriers, suppliers and/or insurers, from any liability to the State for all investigation, cleanup and removal costs expended by the State, all interest accrued thereon, and any penalties, relating to the discharge of petroleum product at 7430 Hillside Road, 7431 Hillside Road, 7433 Hillside Road, and 7437 Hillside Road in the Town of Lysander, Onondaga County, New York ("the Site"), which was administratively designated by the State as Spill Number 89-04923 and PIN 99528, and which is the subject of the action entitled *State of New York v. Stratus Petroleum Corp., et al.*, in the New York State Supreme Court for Albany County, Index # L-0092-07.

This release is executed without prejudice to the State's right to pursue any legal or equitable rights, claims, actions, proceedings, suits, causes of action, liabilities or demands which the State may have with respect to any investigation, cleanup and removal costs expended by the State relative to the Site after the date that the settlement amount referenced in the First Amendment to the Settlement Agreement set forth above is made to the State.

Dated: Albany, New York
_____, 200__

ANDREW M. CUOMO
Attorney General of the State of New York

By: _____
Jeremy R. Feedore
Assistant Attorney General
State of New York
Office of the Attorney General
Civil Recoveries Bureau, Oil Spill Unit
The Capitol
Albany, New York 12224

EXHIBIT B

Work Plan for Dissolved-Phase Groundwater and Soil Petroleum Impact

May 4, 2017

This outline sets forth the anticipated components of the Work Plan to be submitted by the Northern Terminal Group ("NTG") to address dissolved-phase groundwater and soil petroleum impacts at the Site required by the proposed Consent Order. This outline represents the data collection concepts working on a cleared and rough-graded site with no residual petroleum handling or storage infrastructure. This work and data generated from it would be used to amend the October 2015 Remedial Action Plan, because that plan was based on a site setting that included significant obstructions due to historic infrastructure.

By letter dated October 24, 2016 to the Southern Terminal Group ("STG"), the New York State Department of Environmental Conservation ("NYSDEC") approved the October 1, 2015 Cold Springs Terminal Mutual Defense Group Remedial Action Work Plan ("October 1, 2015 RAP"). The October 24, 2016 letter indicated that the STG is obligated to implement the RAP with respect to the removal of Light Non-Aqueous Phase Liquid ("LNAPL"), based on the Consent Order entered into by the STG. However, the extent of LNAPL is not yet fully delineated as significant obstructions, including the aboveground storage tanks and associated piping, were in place during the RI phase of the project. Now that the aboveground storage tanks and associated piping will be removed, certain data gaps can be and will be closed as part of the work outlined herein. The NTG will also incorporate additional LNAPL assessment and delineation data provided by the STG.

This Work Plan incorporates the sections of the October 1, 2015 RAP that relate to dissolved-phase groundwater and the additional investigation work needed to evaluate soil impacts in areas not previously investigated.

I. Installation of additional Groundwater Monitoring Wells

After a review of the existing data, the NTG will submit to NYSDEC a work plan for its approval that will consist of proposed locations and methods to install additional groundwater monitoring wells at the Site. The focus of this effort will be to identify any areas in the Northern and Southern Terminals that should be further assessed for groundwater impacts. Areas to be targeted will be potential data gap areas across the entire Site. As with all work outlined in this document, field implementation phase will be completed post infrastructure removal.

Upon NYSDEC approval and following removal of existing infrastructure on the ST, the work plan will be executed.

II. Groundwater Monitoring

A. Pre-Remediation Groundwater Sampling

The October 1, 2015 RAP requires a groundwater monitoring plan be designed and executed prior to the implementation of the remedial action. This task is set forth in Section 5.4.2 of the October 1, 2015 RAP and will be completed by the NTG. This data will be provided to NYSDEC and the STG.

Once approved and installed, the new monitoring wells discussed in item I. above will be sampled to continue the development of a Site Conceptual Model for the Site

B. Groundwater Monitoring and Reporting

The NTG will complete the groundwater monitoring and reporting activities required under Section 5.7.3 of the October 1, 2015 RAP and as specified in the above-mentioned groundwater monitoring plan. This data will be provided to NYSDEC and the STG. The frequency of these monitoring events will be evaluated by the NTPs and proposed to NYSDEC in the above discussed plan.

C. Post-Remediation Groundwater Monitoring Plan

Once the LNAPL is removed and the remedial system is shut down by the STG pursuant to Section 5.8 of the October 1, 2015 RAP, subject to any partial or temporary system shutdowns or reactivations as required by the RAP, including to address LNAPL rebound, reoccurrence, or reduction, the NTG will provide a post-remediation groundwater monitoring plan that will be submitted for NYSDEC approval within 60 days thereof.

III. Further Investigation of Existing Soil Conditions

A. Additional Locations

The NTG will submit to NYSDEC a Soil Investigation Work Plan. The goal of this Plan will be to investigate areas of potential soil data gaps that exist across the Site. It is anticipated that there will be soil sampling locations proposed on all the historic terminal parcels. As noted above, this work will add to the Site Conceptual Model development. The Soil Investigation Work Plan will be implemented following the removal of all site infrastructure and upon approval by the NYSDEC.

Upon approval, the NTG will implement the proposed additional investigation work to close the data gaps associated with the soil impacts across the Site.

B. Soil Sampling during the STG Remedial Work

The NTG may conduct soil sampling during the installation of the additional monitoring wells that are required to be installed as part of the October 1, 2015 RAP.

IV. Cleanup Goals – Closure

The NTG is committed to the success of implementing the October 1, 2015 RAP and achieving the Remedial Goals set forth in Section 4.0. The October 1, 2015 RAP was jointly produced by all Cold Springs settling defendants (*i.e.*, all STG and NTG parties). The goals laid out in Section 4 will be achieved to the satisfaction of the NYSDEC by a combination of efforts by the STG and NTG in total by executing the October 1, 2015 RAP in its entirety. The remedial goals outlined in Section 4 can only be achieved by the full execution of the October 1, 2015 RAP and as such will lead to the NYSDEC issuing a *No Further Action Required* status for the Site. However, additional remedial or administrative measures may have to be taken by either the STG or NTG that are not contemplated in the October 1, 2015 RAP to achieve this status. Such measures, likely inclusive of institutional controls, will be driven by the findings of the data being collected. It is the NTG expectation that NYSDEC will assign any additional measures to be taken to either the STG or NTG depending on the type of action and cause for action as per the

expectations of the goals laid out in Section 4 of the October 1, 2015 RAP and the terms of each group's existing/potential Consent Order with the NYSDEC.

Given the institutional control's ability to define the future use of the property, it is the expectation of the NTG that the cleanup levels for the Site will be industrial and/or commercial and not residential. Specifically, once the administrative controls are in place, the cleanup targets will become those appropriate to support industrial use as allowed by NYSDEC Soil Cleanup Guidance Document CP-51 Section V.b.5.

EXHIBIT C
STANDARD PROVISIONS

Payment. Any penalty assessed pursuant to the terms and conditions of this Order shall be paid by submitting a certified check, cashier's check, or money order, payable to the Department of Environmental Conservation, to: New York State Department of Environmental Conservation, Office of General Counsel, Attn: Maria Mastroianni, 625 Broadway, 14th Floor, Albany, New York, 12233-1500. Unpaid penalties imposed by this Order shall bear interest at the rate of 9 percent per annum for each day the penalty, or any portion thereof, remains unpaid. Payments received shall first be applied to accrued interest charges and then to the unpaid balance of the penalty.

Communications. Except as otherwise specified in this Order, any reports, submissions, and notices herein required shall be made to: New York State Department of Environmental Conservation, Office of General Counsel, Attn: Ben Conlon 625 Broadway, 14th Floor. Albany, New York 12233-1500

Duration. This Order shall take effect when it is signed by the Commissioner of Environmental Conservation, or his designee, and shall expire when Respondent has fully complied with the requirements of this Order.

Access. For the purposes of monitoring or determining compliance with this Order, employees and agents of the Department shall be provided access to any facility, site, or records owned, operated, controlled or maintained by the Respondent, in order to inspect and/or perform such tests as the Department may deem appropriate, to copy such records, or to perform any other lawful duty or responsibility.

Force Majeure. If Respondent cannot comply with a deadline or requirement of this Order, because of an act of God, war, strike, riot, catastrophe, or other condition that was not caused by the negligence or willful misconduct of Respondent and which could not have been avoided by the Respondent through the exercise of due care, Respondent shall apply in writing to the Department within a reasonable time after obtaining knowledge of such fact and request an extension or modification of the deadline or requirement.

Indemnity. Respondent shall indemnify and hold the Department, the State of New York, and their representatives and employees harmless for all claims, suits, actions, damages and costs resulting in the acts and/or omissions of Respondent, intentional, negligent, or otherwise, of every nature and description, arising out of or resulting from the compliance or attempted compliance with the provisions of this Order by Respondent or its employees, servants, agents, successors or assigns.

Modification. No change in this Order shall be made or become effective except as specifically set forth by written order of the Commissioner, being made either upon written application of Respondent, or upon the Commissioner's own findings after notice and opportunity to be heard have been given to Respondent. Respondent shall bear the burden of proving entitlement to any modification requested pursuant to this Standard Provision or the "Force Majeure" provision, *supra*. Respondent's request for modification shall not be unreasonably denied by the Department, which may impose such additional conditions upon Respondent as the Department deems appropriate.

Other Rights. Nothing contained in this Order shall be barring, diminishing, adjudicating or in any

way affecting (1) any legal, administrative or equitable rights or claims, actions, suits, causes of action or demands whatsoever that the Department and/or the State of New York may have against Respondent and/or anyone other than Respondent for any natural resource damage claim that the Department may have; (2) any legal, administrative or equitable rights or claims, actions, suits, causes of action or demands whatsoever that the Department may have against anyone other than the Respondent; (3) any right of the Department to enforce administratively or at law or in equity, the terms, provisions, and conditions of this Order; (4) any right of the Department to bring any further action, either administrative or judicial, for any other violations of the ECL, the rules and regulations promulgated thereunder, or conditions contained in orders or permits, if any, issued by the Department to Respondent; (5) the summary abatement powers of the Department, either at common law or as granted pursuant to statute or regulation.

Entire Agreement. This agreement shall constitute the entire agreement of the Department and Respondent with respect to settlement of those violations specifically referenced herein.

Binding Effect. The provisions, terms, and conditions of this Order shall be deemed to bind Respondent and Respondent's heirs, legal representatives, receivers, trustees in bankruptcy, successors and assigns.

Service. If Respondent is represented by an attorney with respect to the execution of this Order, service of a duly executed copy of this Order upon Respondent's attorney by ordinary mail shall be deemed good and sufficient service.

Multiple Respondents. If more than one Respondent is a signatory to this Order, use of the term "Respondent" in these Standard Provisions shall be deemed to refer to each Respondent identified in the order.

DEVAPRASAD PLLC
ATTORNEY ESCROW ACCOUNT / IOLA
119 WASHINGTON AVENUE
ALBANY, NY 12210

1176

Date Feb 14 2017

29-7/213

Pay to the order of Department of Environmental Conservation \$ 500,000.00
Five Hundred Thousand and 00/100 Dollars ☒ XX

KEYBANK NATIONAL ASSOCIATION
1-800-KEY2YOU KEY.COM

For deposit only N/A N/A N/A N/A N/A N/A N/A N/A N/A N/A



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October 18, 2017

Via Hand Delivery

Benjamin Conlon, Bureau Chief
State of New York
Department of Environmental Conservation
Office of General Counsel
Division of Environmental Enforcement
Bureau of Spills and Bulk Storage
625 Broadway
Albany, New York 12233-5500

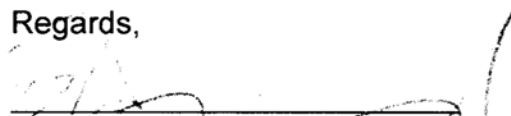
Re: Cold Springs Terminals Consent Order
Case No. 12-1111-A-SBC

Dear Ben:

Enclosed is the Consent Order ("Order") with original signature pages of respondents BP Products North America Inc. and Buckeye Pipe Line Company, L.P., and respondents' check in the amount of \$500,000.00 as provided in Section V of the Order. Kindly have the Order signed by the Department and provide fully signed copies to both myself and Wendy Marsh.

Thank you.

Regards,


S. David Devaprasad, Attorney
Direct: 518.496.9238
Email: sdd@devalaw.com

SDD/
Encs.

cc: Wendy Marsh, Esq. (via email only)