

NuStar Tank Farm
 FSID# 61862781
 SIC# J1A1A
 Mgr. Rod Schmall

STATE OF WASHINGTON
 DEPARTMENT OF ECOLOGY

In the Matter of Remedial Action by:

 NuStar Terminals Operations Partnership L.P.
 (d/b/a NuStar)
 (a/k/a NuStar)
 (f/k/a ST Services, Support Terminals
 Operating Partnership, L.P.)
 (A subsidiary of NuStar Energy L.P., which was
 f/k/a Valero L.P.)

AGREED ORDER

 No. 08-TC-S DE5250

TO: Mr. Joe Aldridge
 Remediation Manager
 NuStar Energy L.P.
 2330 North Loop 1604 West
 San Antonio, TX 78248

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I. INTRODUCTION

The mutual objective of the State of Washington, Department of Ecology (Ecology) and NuStar Terminals Operations Partnership L.P. under this Agreed Order (Order) is to provide for remedial action at a facility where there has been a release or threatened release of hazardous substances. Hereafter in this document the name, "NuStar" will denote "NuStar Terminals Operations Partnership L.P." This Order requires NuStar to complete a remedial investigation, implement an interim action at the Site, if necessary; perform a risk assessment; and conduct a feasibility study in accordance with a stipulated schedule. Ecology believes the actions required by this Order are in the public interest.

II. JURISDICTION

This Agreed Order is issued pursuant to the Model Toxics Control Act (MTCÁ), RCW 70.105D.050(1).

III. PARTIES BOUND

This Agreed Order shall apply to and be binding upon the Parties to this Order and their successors and assigns. The undersigned representative of each party hereby certifies that he or she is fully authorized to enter into this Order and to execute and legally bind such party to comply with this Order. NuStar agrees to undertake all actions required by the terms and conditions of this Order. No change in ownership or corporate status shall alter NuStar's responsibility under this Order. NuStar shall provide a copy of this Order to all agents, contractors, and subcontractors retained to perform work required by this Order, and shall ensure that all work undertaken by such agents, contractors, and subcontractors complies with this Order.

IV. DEFINITIONS

Unless otherwise specified herein, the definitions set forth in Chapter 70.105D RCW and Chapter 173-340 WAC shall control the meanings of the terms in this Order.

A. Site: The Site is referred to as NuStar Tank Farm (Facility Site ID: 61862781) and is generally located at 5420 NW Fruit Valley Road, Vancouver, WA 98660 [Lat: N 45°

39.7'; Long: W 122° 41.7'] (*see* Exhibits A-1, A-2, and A-3). The Site is defined by the extent of contamination caused by the release of hazardous substances from this NuStar operations location. Based upon factors currently known to Ecology, the Site is more particularly described by a site plot photograph and the Site Diagram (Exhibit A-4). The Site constitutes a Facility under RCW 70.105D.020(5).

B. Parties: Refers to the State of Washington, Department of Ecology and NuStar Terminals Operations Partnership L.P., an indirect subsidiary of NuStar Energy L.P.

C. Potentially Liable Person (PLP): As discussed more fully in section VI(D), Ecology has determined that NuStar is a PLP under RCW 70.105D.040 with respect to the Site.

D. Agreed Order or Order: Refers to this Order and each of the exhibits to this Order. All exhibits are integral and enforceable parts of this Order. The terms "Agreed Order" or "Order" shall include all exhibits to this Order.

V. FINDINGS OF FACT

Ecology makes the following findings of fact, without any express or implied admissions of such facts by NuStar:

A. In 2003 Support Terminals Operating Partnership, L.P. acquired the tank-farm facility property and assets (including tanks, truck-loading facilities, piping, instruments, office building, and other associated items) from Cenex Harvest States Cooperatives (Cenex), the current name for which is CHS, Inc. Support Terminals Operating Partnership, L.P. changed its name to NuStar Terminals Operations Partnership L.P. on March 31, 2008. NuStar currently owns and operates the facility, which is known as the NuStar Tank Farm (also Annex Terminal) and is located at 5420 NW Fruit Valley Road, Vancouver, WA 98660 (*see* Exhibits A-1 to A-4).

B. An abbreviated legal description of the NuStar-owned property on which the Site is located is: #32 Abram Robie DLC 31.12A. Clark County (Washington) Auditor deed records (No. 3766670; Tax Ser. No. 147360-000) confirm that NuStar Terminals Operations Partnership L.P. is the owner. A property map and legal description are attached as Exhibits B and C, respectively. The area of the NuStar-owned property at this Site is approximately 31 acres.

C. The property was developed in 1957 and petroleum products were stored and handled for decades. In 2001 evidence of petroleum-impacted subsurface soils was encountered by Cenex during the decommissioning of an underground gasoline vapor recovery tank.

D. An Ecology *Environmental Report Tracking system (ERTS)* "Initial Report" (#52294), dated December 12, 2001, detailed a September 2001 gasoline spill originating from an underground storage tank apparently due to equipment failure. Soil contamination was noted.

E. Cenex (a/k/a Farmers Union Central Exchange), which via mergers and acquisitions became Cenex Harvest States Cooperatives (Cenex), was an owner of the property. On July 30, 2003, Cenex sold the property to Support Terminals Operating Partnership, LP, which became a wholly owned subsidiary of Valero L.P. in 2005. Valero L.P. changed its name to NuStar Energy L.P. effective April 2, 2007. On August 5, 2003, Cenex Harvest States Cooperatives changed its legal name to CHS, Inc.; "Cenex" remains its energy brand.

F. The presence of petroleum constituents, including benzene and methyl tert-butyl ether (MTBE), in soil and groundwater was documented by a December 30, 2002, *Subsurface Investigation and Soil Removal Report* prepared by AMEC Earth & Environmental, Inc. (AMEC) for Cenex Harvest States Cooperatives.

Groundwater samples obtained in May and June 2002 from direct-push borings documented benzene concentrations up to 15,000 ug/L, a value well above the 5 ug/L MTCA Method A cleanup standard for that compound in groundwater. The maximum gasoline-range petroleum hydrocarbon concentration was 159,900 ug/L; the MTCA Method A cleanup level for groundwater is 800 ug/L.

The maximum detected groundwater concentrations and Method A MTCA cleanup standards (std) for other detected compounds (expressed in ug/L) were:

ethylbenzene:	8,250 ug/L	std = 700 ug/L
xylenes:	36,600	std = 1,000
naphthalene:	1,910	std = 160
toluene:	48,300	std = 1,000
MTBE:	700	std = 20

These contaminants of concern are known threats to human health and the environment.

G. In its May 8, 2002, *Phase II Environmental Site Assessment* report to Cenex, AMEC stated: "Based on the inferred upgradient location of the truck fueling rack relative to groundwater sampling locations, there is a likelihood that benzene and other VOC concentrations may be related to activities associated with the fueling rack or similar upgradient source." AMEC further stated: "The lateral and vertical extent of impact identified from the Phase II ESA has not been defined at this time."

H. On March 28, 2005, Ecology entered the Site into the agency's database of "Confirmed and Suspected Contaminated Sites."

I. A Site Hazard Assessment (SHA) was conducted for Ecology by the Clark County Health Department. Based on a SHA worksheet dated June 23, 2006, the Site was assigned a Washington Ranking Method (WARM) risk rank of 2. A number 1 ranking applies to the category of sites having the greatest risk to human health and/or the environment. A number 5 ranking indicates the lowest risk category.

J. A January 28, 2008, report entitled *Groundwater Monitoring Report – Quarterly Monitoring 2007* was prepared and submitted to Ecology on behalf of NuStar by Ash Creek Associates, an environmental consultant to NuStar. The report indicated that analysis data from two push-probe sampling points and four on-site monitoring wells confirmed an earlier Ash Creek conclusion that the contaminants are contained below the surface and within the boundaries of the NuStar facility property. Samples collected in May, August, and November of 2007 had petroleum-related contaminant levels below MTCA Method A cleanup levels except for benzene at monitoring wells number 2 and 3, and methyl tertiary butyl ether (MTBE) at well number 2. Wells number 2 and 3 are both located in the east-central part of the tank farm. The latest (November 2007) benzene concentrations in well numbers 2 and 3 were below the Method A benzene cleanup level of 5.0 ug/L; concentrations above the Method A level have not been found since May 2007 when a level of 71 ug/L was measured. The benzene concentration in the November 2007 sample from well number 2 was less than the laboratory reporting limit of 1.0

ug/L and the concentration in the well number 3 sample was 1.1 ug/L. The latest MTBE concentration was 83 ug/L, which exceeded the 20-ug/L Method A cleanup level for MTBE.

K. Clark Public Utilities (CPU) has developed plans to develop a public water supply source by installing wells approximately 1,000 feet north-northwest of the Site. Groundwater withdrawal under this plan could potentially induce migration of contaminated groundwater from under the NuStar Site, and other remediation sites in the Vancouver lowlands, toward the CPU well field.

VI. ECOLOGY DETERMINATIONS

A. NuStar is an “owner or operator” as defined in RCW 70.105D.020(12) of a “facility” as defined in RCW 70.105D.020(4).

B. “Hazardous substances” as defined in RCW 70.105D.020(10) have been found at the facility as described in paragraph F of Section V (Findings of Fact).

C. Based upon all factors known to Ecology, a “release” or “threatened release” of “hazardous substance(s)” as defined in RCW 70.105D.020(25) and RCW 70.105D.020(10), respectively, has occurred at the Site.

D. Based upon credible evidence and pursuant to RCW 70.105D.040, -.020(17), and WAC 173-340-500, Ecology issued a PLP status letter to Support Terminals Operating Partnership, L.P. (now NuStar Terminals Operations Partnership L.P.) dated December 27, 2006. After providing for notice and opportunity for comment, reviewing any comments submitted, and concluding that credible evidence supported a finding of potential liability, Ecology determined that NuStar was a PLP under RCW 70.105D.040 and notified NuStar of this determination by letter dated March 7, 2007.

E. Pursuant to RCW 70.105D.030(1) and -.050(1), Ecology may require PLPs to investigate or conduct other remedial actions with respect to any release or threatened release of hazardous substances, whenever it believes such action to be in the public interest. Based on the foregoing facts, Ecology believes the remedial actions required by this Order are in the public interest.

F. Under WAC 173-340-430, an interim action is a remedial action that is technically necessary to reduce a threat to human health or the environment by eliminating or substantially reducing one or more pathways for exposure to a hazardous substance, that corrects a problem that may become substantially worse or cost substantially more to address if the remedial action is delayed, or that is needed to provide for completion of a site hazard assessment, remedial investigation/feasibility study, or design of a cleanup action. This Order requires the implementation of an interim action (IA) if Ecology determines that data obtained by the required remedial investigation (RI) reveals a situation that satisfies the IA criteria of WAC 173-340-430.

VII. WORK TO BE PERFORMED

Based on the Findings of Fact and Ecology Determinations, it is hereby ordered that NuStar take the following remedial actions at the Site and that these actions be conducted in accordance with Chapter 173-340 WAC unless otherwise specifically provided for herein:

A. The required Work to be Performed includes the following:

1. Cooperate in Public Participation Plan efforts in accordance with paragraph H of Section VIII (Terms and Conditions), including the preparation of documents requested by Ecology.

2. Complete RI site characterization investigations necessary to determine the nature and extent of contamination at the Site. The Site is defined by the extent of contamination caused by the release of hazardous substances from this NuStar operations location. The Site may include areas surrounding the NuStar property if those areas are shown to contain soil, groundwater, and/or surface water contamination originating from the source on the NuStar property. A RI work plan must be submitted for Ecology comment and approval prior to implementation. This work plan shall include a groundwater monitoring plan for Ecology comment and approval.

3. Monitor groundwater for chemical contaminants and other pertinent parameters on a regular basis in accordance with the Ecology-approved Groundwater

Monitoring Plan. Groundwater monitoring reports shall be submitted to Ecology within 45 days following the monitoring periods outlined in the approved Groundwater Monitoring Plan.

4. Submit a draft Remedial Investigation report to Ecology for review.
5. If required by Ecology based on the RI findings, submit an Interim Action Design and Work Plan to Ecology for comment approval.
6. If required by Ecology based on the RI findings, implement an Ecology-approved interim action.
7. Submit a final Remedial Investigation report to Ecology for approval.
8. If an IA is implemented in accordance with VII-A.6 of this Order, submit a draft Interim Action Summary report to Ecology for review.
9. If an IA is implemented in accordance with VII-A.6 of this Order, submit a final Interim Action Summary report to Ecology for approval.
10. Conduct a risk assessment as required in WAC 173-340-7490 through 7494 and submit a draft Risk Assessment report to Ecology for review.
11. Submit a final Risk Assessment report to Ecology for approval.
12. Submit a draft Feasibility Study (FS) report to Ecology for review and comment. This document shall consolidate by inclusion or reference, all necessary information upon which conclusions made in the report are based.
13. Submit a final Feasibility Study report to Ecology.

All final reports submitted as required by this section (VII.A) shall incorporate the recommendations contained in Ecology's comments on the respective draft reports, unless the Parties agree otherwise or the recommendations are changed through the dispute resolution process set forth in Section VIII.J of this Order.

B. All performance and deliverables shall be completed as indicated in Exhibit D, the "Project Schedule."

C. Pursuant to WAC 173-340-350(7)(c)(iv), a Health and Safety Plan and a Sampling and Analysis Plan shall be prepared as part of the RI and FS products and shall conform to the requirements specified in WAC 173-340-810 and WAC 173-340-820, respectively. The Health and Safety Plan shall be submitted to Ecology for review; the draft Sampling and Analysis Plan shall be submitted to Ecology for review and comment. Analytical procedures shall be in accordance with WAC 173-340-830.

In order to implement this Order, NuStar shall prepare and submit for Ecology's review and approval all documents required by this Order, including but not limited to groundwater monitoring reports, quality assurance/quality control plans, engineering design report(s), compliance monitoring plan(s), operations and maintenance plan(s), and as-built reports. Any such deliverable, once approved by Ecology, becomes an integral and enforceable part of this Order. The schedule in Exhibit D specifies the deliverables that have been identified as being required at the time of issuance of this Order, plus the schedule under which they must be submitted.

NuStar shall submit written progress reports to Ecology each quarter while this Order is in effect. Progress reports shall be submitted by electronic mail in portable document format or in an electronic form acceptable to Ecology. Progress reports shall include the following information:

1. A list of activities conducted during the reporting period to implement the requirements of the Order;
2. A description of any deviations from the Order; and
3. A description of any deviations from the schedule and any anticipated deviations in the upcoming reporting period, along with plans for recovering lost time and maintaining compliance with the schedule.

D. If, at any time after the first exchange of comments on drafts, Ecology determines that insufficient progress is being made in the preparation of any of the deliverables required by this Section (VII), Ecology may complete and issue the final deliverable.

VIII. TERMS AND CONDITIONS OF ORDER

A. Public Notice

RCW 70.105D.030(2)(a) requires that, at a minimum, this Order be subject to concurrent public notice. Ecology shall be responsible for providing such public notice and reserves the right to modify or withdraw any provisions of this Order should public comment disclose facts or considerations which indicate to Ecology that this Order is inadequate or improper in any respect.

B. Remedial Action Costs

NuStar shall pay to Ecology costs incurred by Ecology pursuant to this Order and consistent with WAC 173-340-550(2). These costs shall include work performed by Ecology or its contractors for, or on, the Site under Chapter 70.105D RCW, including remedial actions and Order preparation, negotiation, oversight, and administration. These costs shall include work performed prior to the issuance of this Order, for which NuStar has not previously reimbursed Ecology, as well as work performed subsequent to the issuance of this Order. Ecology's costs shall include costs of direct activities and support costs of direct activities as defined in WAC 173-340-550(2). NuStar shall pay the required amount within ninety (90) days of receiving from Ecology an itemized statement of costs that includes a summary of costs incurred, an identification of involved staff, and the amount of time spent by involved staff members. A general statement of work performed will be provided upon request. Itemized statements shall be prepared quarterly. Pursuant to WAC 173-340-550(4), failure to pay Ecology's costs within ninety (90) days of receipt of the itemized statement of costs will result in interest charges at the rate of twelve percent (12%) per annum, compounded monthly.

Pursuant to RCW 70.105D.055, Ecology has authority to recover unreimbursed remedial action costs by filing a lien against real property subject to the remedial actions.

C. Implementation of Remedial Action

If Ecology determines that NuStar has failed without good cause to implement the remedial action required by this Order, in whole or in part, Ecology may, after notice to NuStar, perform any or all portions of the remedial action that remain incomplete. If Ecology performs all or portions of the remedial action because of NuStar's failure to comply with its obligations under this Order, NuStar shall reimburse Ecology for the costs of doing such work in accordance with paragraph B (Remedial Action Costs) of this Section, provided that NuStar is not obligated under this Section to reimburse Ecology for costs incurred for work inconsistent with or beyond the scope of this Order.

Except where necessary to abate an emergency situation, NuStar shall not perform any remedial actions at the Site outside those remedial actions required by this Order, unless Ecology concurs, in writing, with such additional remedial actions.

D. Designated Project coordinators

The project coordinator for Ecology is:

Rod Schmall, P.E., Site Manager
Washington Department of Ecology
SWRO – Vancouver Field Office
2108 Grand Blvd.
Vancouver, WA 98661-4624
(360) 690-4798
rosc461@ecy.wa.gov

The project coordinator for NuStar Terminals Operations Partnership L.P. is:

Joe Aldridge, Remediation Manager
NuStar Energy L.P.
2330 North Loop 1604 West
San Antonio, TX 78248
(210) 918-2723
joe.aldridge@nustar.com

Each project coordinator shall be responsible for overseeing the implementation of this Order. Ecology's project coordinator will be Ecology's designated representative for the Site. To the maximum extent possible, communications between Ecology and NuStar and all

documents, including reports, approvals, and other correspondence concerning the activities performed pursuant to the terms and conditions of this Order, shall be directed through the project coordinators. The project coordinators may designate, in writing, working level staff contacts for all or portions of the implementation of the work to be performed required by this Order.

Any party may change its respective project coordinator. Written notification shall be given to the other party at least ten (10) calendar days prior to the change.

E. Performance

All geologic and hydrogeologic work performed pursuant to this Order shall be under the supervision and direction of a geologist licensed in the State of Washington or under the direct supervision of an engineer registered in the State of Washington, except as otherwise provided for by Chapters 18.220 and 18.43 RCW.

All engineering work performed pursuant to this Order shall be under the direct supervision of a professional engineer registered in the State of Washington, except as otherwise provided for by RCW 18.43.130.

All construction work performed pursuant to this Order shall be under the direct supervision of a professional engineer or a qualified technician under the direct supervision of a professional engineer. The professional engineer must be registered in the State of Washington, except as otherwise provided for by RCW 18.43.130.

Any documents submitted containing geologic, hydrologic or engineering work shall be under the seal of an appropriately licensed professional as required by Chapter 18.220 RCW or RCW 18.43.130.

NuStar shall notify Ecology in writing of the identity of any engineer(s) and geologist(s), contractor(s) and subcontractor(s), and others to be used in carrying out the terms of this Order, in advance of their involvement at the Site.

F. Access

Ecology or any Ecology authorized representative shall have the full authority to enter and freely move about all property at the Site that NuStar either owns, controls, or has access rights to at all reasonable times for the purposes of, *inter alia*: inspecting records, operation logs, and contracts related to the work being performed pursuant to this Order; reviewing NuStar's progress in carrying out the terms of this Order; conducting such tests or collecting such samples as Ecology may deem necessary; using a camera, sound recording, or other documentary type equipment to record work done pursuant to this Order; and verifying the data submitted to Ecology by NuStar. NuStar may provide an escort to Ecology or Ecology authorized representatives. NuStar shall make all reasonable efforts to secure access rights for those properties within the Site not owned or controlled by NuStar where remedial activities or investigations will be performed pursuant to this Order. Ecology or any Ecology authorized representative shall give reasonable notice before entering any Site property owned or controlled by NuStar unless an emergency prevents such notice. All persons who access the Site pursuant to this Section shall comply with any applicable Health and Safety Plan(s). Ecology employees and their representatives shall not be required to sign any liability release or waiver as a condition of Site access. NuStar on behalf of itself, its affiliates, successors, assigns, contractors and/or invitees does not waive its right or the right of others to an expectation of privacy and/or all or any rights afforded an individual or an entity regarding full disclosure and permission before a recording device may be used.

G. Sampling, Data Submittal, and Availability

With respect to the implementation of this Order, NuStar shall make the results of all sampling, laboratory reports, and/or test results generated by it or on its behalf available to Ecology. Pursuant to WAC 173-340-840(5), all sampling data shall be submitted to Ecology in both printed and electronic formats in accordance with Section VII ("Work to be Performed"), Ecology's Toxics Cleanup Program Policy 840 (Data Submittal Requirements), and/or any subsequent procedures specified by Ecology for data submittal.

If requested by Ecology, NuStar shall allow Ecology and/or its authorized representative to take split or duplicate samples of any samples collected by NuStar pursuant to implementation of this Order. NuStar shall notify Ecology seven (7) days in advance of any sample collection or work activity at the Site. Ecology shall, upon request, allow NuStar and/or its authorized representative to take split or duplicate samples of any samples collected by Ecology pursuant to the implementation of this Order, provided that doing so does not interfere with Ecology's sampling. Without limitation on Ecology's rights under paragraph F ("Access"), of this Section VIII, Ecology shall endeavor to notify NuStar seven (7) days prior to any sample collection activity unless an emergency prevents such notice.

In accordance with WAC 173-340-830(2)(a), all hazardous substance analyses shall be conducted by a laboratory accredited under Chapter 173-50 WAC for the specific analyses to be conducted, unless otherwise approved by Ecology.

H. Public Participation

A Public Participation Plan is required for this Site. Ecology shall review any existing Public Participation Plan to determine its continued appropriateness and whether it requires amendment, or if no plan exists, Ecology shall develop a Public Participation Plan alone or in conjunction with NuStar.

Ecology shall maintain the responsibility for public participation at the Site. However, NuStar shall cooperate with Ecology, and shall:

1. If agreed to by Ecology, develop appropriate mailing list, prepare drafts of public notices and fact sheets at important stages of the remedial action, such as the submission of work plans, remedial investigation/feasibility study reports, cleanup action plans, and engineering design reports. As appropriate, Ecology will edit, finalize, and distribute such fact sheets and prepare and distribute public notices of Ecology's presentations and meetings.
2. Notify Ecology's project coordinator prior to the preparation of all press releases and fact sheets and before major meetings with the interested public and local

governments. Likewise, Ecology shall notify NuStar prior to the issuance of all press releases and fact sheets and before major meetings with the interested public and local governments. For all press releases, fact sheets, meetings, and other outreach efforts by NuStar that do not receive prior Ecology approval, NuStar shall clearly indicate to its audience that the press release, fact sheet, meeting, or other outreach effort was not sponsored or endorsed by Ecology.

3. When requested by Ecology, participate in public presentations on the progress of the remedial action at the Site. Participation may be through attendance at public meetings to assist in answering questions or as a presenter.

4. When requested by Ecology, arrange and/or continue information repositories to be located at the following locations:

- a. Fort Vancouver Regional Library
1007 E. Mill Plain Blvd.
Vancouver, WA 98663
- b. Department of Ecology
Southwest Regional Office
300 Desmond Drive
Lacey, WA 98504-7775

At a minimum, copies of all public notices, fact sheets, and press releases; all quality assured monitoring data; remedial action plans and reports, supplemental remedial planning documents, and all other similar documents relating to performance of the remedial action required by this Order shall be promptly placed in these repositories.

I. Retention of Records

During the pendency of this Order, and for ten (10) years from the date of completion of work performed pursuant to this Order, NuStar shall preserve all records, reports, documents, and underlying data in its possession relevant to the implementation of this Order and shall insert a similar record retention requirement into all contracts with project contractors and subcontractors. Upon request of Ecology, NuStar shall make all records available to Ecology and allow access for review within a reasonable time. Nothing in this Order is intended by

NuStar to waive any right it may have under applicable law to limit disclosure of documents protected by the attorney work-product and/or attorney-client privilege. If NuStar withholds any requested records based on an assertion of privilege, it shall provide Ecology with a privilege log specifying the records withheld and the applicable privilege. No actual data collected on the Site pursuant to this Agreed Order shall be considered privileged.

J. Resolution of Disputes

1. In the event a dispute arises as to an approval, disapproval, proposed change, or other decision or action by Ecology's project coordinator, or an itemized billing statement under paragraph B (Remedial Action Costs) of this Section VIII, the Parties shall utilize the dispute resolution procedure set forth below.

a. Upon receipt of Ecology's project coordinator's written decision or the itemized billing statement, NuStar, has fourteen (14) days within which to notify Ecology's project coordinator in writing of its objection to the decision or itemized statement.

b. The Parties' project coordinators shall then confer in an effort to resolve the dispute. If the project coordinators cannot resolve the dispute within fourteen (14) days, Ecology's project coordinator shall issue a written decision.

c. NuStar may then request regional management review of the decision. This request shall be submitted in writing to the Southwest Region Toxics Cleanup Section Manager within seven (7) days of receipt of Ecology's project coordinator's written decision.

d. The Section Manager shall conduct a review of the dispute and shall endeavor to issue a written decision regarding the dispute within thirty (30) days of NuStar's request for review. The Section Manager's decision shall be Ecology's final decision on the disputed matter.

2. The Parties agree to only utilize the dispute resolution process in good faith and agree to expedite, to the extent possible, the dispute resolution process whenever it is used.

3. Implementation of these dispute resolution procedures shall not provide a basis for delay of any activities required in this Order, unless Ecology agrees in writing to a schedule extension.

K. Extension of Schedule

1. An extension of schedule shall be granted only when a request for an extension is submitted in a timely fashion, generally at least thirty (30) days prior to expiration of the deadline for which the extension is requested, and good cause exists for granting the extension.

All extensions shall be requested in writing. The request shall specify:

- a. The deadline that is sought to be extended;
- b. The length of the extension sought;
- c. The reason(s) for the extension; and
- d. Any related deadline or schedule that would be affected if the extension were granted.

2. The burden shall be on NuStar to demonstrate to the satisfaction of Ecology that the request for such extension has been submitted in a timely fashion and that good cause exists for granting the extension. Good cause may include, but may not be limited to:

- a. Circumstances beyond the reasonable control and despite the due diligence of NuStar, including delays caused by unrelated third parties or Ecology, such as (but not limited to) delays by Ecology in reviewing, approving, or modifying documents submitted by NuStar;
- b. Acts of God, including fire, flood, blizzard, extreme temperatures, storm, or other unavoidable casualty; or
- c. Endangerment as described in paragraph M ("Endangerment") of this Section VIII.

However, neither increased costs of performance of the terms of this Order nor changed economic circumstances shall be considered circumstances beyond the reasonable control of NuStar.

3. Ecology shall act upon any written request for extension in a timely fashion. Ecology shall give NuStar written notification of any extensions granted pursuant to this Order. A requested extension shall not be effective until approved by Ecology. Unless the extension is a substantial change, it shall not be necessary to amend this Order pursuant to paragraph L (Amendment of Order) of this Section VIII when a schedule extension is granted.

4. An extension shall only be granted for such period of time as Ecology determines is reasonable under the circumstances. Ecology may grant schedule extensions exceeding ninety (90) days only as a result of:

- a. Delays in the issuance of a necessary permit which was applied for in a timely manner;
- b. Other circumstances deemed exceptional or extraordinary by Ecology; or
- c. Endangerment as described in paragraph M (Endangerment) of this Section VIII.

L. Amendment of Order

The project coordinators may verbally agree to minor changes to the work to be performed without formally amending this Order. Minor changes will be documented in writing by Ecology within seven (7) days of verbal agreement.

Except as provided in paragraph N (Reservation of Rights) of this Section VIII, substantial changes to the work to be performed shall require formal amendment of this Order. This Order may only be formally amended by the written consent of both Ecology and NuStar. NuStar shall submit a written request for amendment to Ecology for approval. Ecology shall indicate its approval or disapproval in writing and in a timely manner after the written request for amendment is received. If the amendment to this Order represents a substantial change, Ecology will provide public notice and opportunity to comment. Reasons for the disapproval of a proposed amendment to this Order shall be stated in writing. If Ecology does not agree to a proposed amendment, the disagreement may be addressed through the dispute resolution procedures described in paragraph J (Resolution of Disputes) of this Section VIII.

M. Endangerment

In the event Ecology determines that any activity being performed at the Site is creating or has the potential to create a danger to human health or the environment on or surrounding the Site, Ecology may direct NuStar to cease such activities for such period of time as it deems necessary to abate the danger. NuStar shall immediately comply with such direction.

In the event NuStar determines that any activity being performed at the Site is creating or has the potential to create a danger to human health or the environment, NuStar may cease such activities. NuStar shall notify Ecology's project coordinator as soon as possible but no later than twenty-four (24) hours after making such determination or ceasing such activities. Upon Ecology's direction, NuStar shall provide Ecology with documentation of the basis for the determination or cessation of such activities. If Ecology disagrees with NuStar's cessation of activities, it may direct NuStar to resume such activities. If Ecology concurs with or orders a work stoppage pursuant to paragraph M (Endangerment) of this Section VIII, NuStar's obligations with respect to the ceased activities shall be suspended until Ecology determines the danger is abated, and the time for performance of such activities, as well as the time for any other work dependent upon such activities, shall be extended in accordance with paragraph K (Extension of Schedule) of this Section VIII for such period of time as Ecology determines is reasonable under the circumstances.

Nothing in this Order shall limit the authority of Ecology, its employees, agents, or contractors to take or require appropriate action in the event of an emergency.

N. Reservation of Rights

This Order is not a settlement under Chapter 70.105D RCW. Ecology's signature on this Order in no way constitutes a covenant not to sue or a compromise of any of Ecology's rights or authority. Ecology will not, however, bring an action against NuStar to recover remedial action costs paid to and received by Ecology under this Order. In addition, Ecology will not take additional enforcement actions against NuStar regarding remedial actions required by this Order, provided NuStar complies with this Order.

Ecology nevertheless reserves its rights under Chapter 70.105D RCW, including the right to require additional or different remedial actions at the Site should it deem such actions necessary to protect human health and the environment and to issue orders requiring such remedial actions. Ecology also reserves all rights regarding the injury to, destruction of, or loss of natural resources resulting from the release or threatened release of hazardous substances at the Site.

O. Transfer of Interest in Property

No voluntary conveyance or relinquishment of title, easement, leasehold, or other interest in any portion of the Site shall be consummated by NuStar without provision for continued implementation of all requirements of this Order and implementation of any remedial actions found to be necessary as a result of this Order.

Prior to NuStar's transfer of any interest in all or any portion of the Site, and during the effective period of this Order, NuStar shall provide a copy of this Order to any prospective purchaser, lessee, transferee, assignee, or other successor in said interest; and, at least thirty (30) days prior to any transfer, NuStar shall notify Ecology of said transfer. Upon transfer of any interest, NuStar shall restrict uses and activities to those consistent with this Order and notify all transferees of the restrictions on the use of the property.

P. Compliance with Applicable Laws

1. All actions carried out by NuStar pursuant to this Order shall be done in accordance with all applicable federal, state, and local requirements, including requirements to obtain necessary permits, except as provided in RCW 70.105D.090. Laws and regulations addressing permits or federal, state, or local requirements that Ecology believes may be applicable at the time of entry of this Order are identified in Exhibit E (Applicable Permits and Substantive Requirements).

2. Pursuant to RCW 70.105D.090(1), NuStar is exempt from the procedural requirements of Chapters 70.94, 70.95, 70.105, 77.55, 90.48, and 90.58 RCW and of any laws

requiring or authorizing local government permits or approvals. However, NuStar shall comply with the substantive requirements of such permits or approvals. The exempt permits or approvals and the applicable substantive requirements of those permits or approvals anticipated at the time of entry of this Order, have been identified in Exhibit E (Applicable Permits and Substantive Requirements).

NuStar has a continuing obligation to determine whether additional permits or approvals addressed in RCW 70.105D.090(1) would otherwise be required for the remedial action under this Order. In the event either Ecology or NuStar determines that additional permits or approvals addressed in RCW 70.105D.090(1) would otherwise be required for the remedial action under this Order, it shall promptly notify the other party of its determination. Ecology shall determine whether Ecology or NuStar shall be responsible to contact the appropriate state and/or local agencies. If Ecology so requires, NuStar shall promptly consult with the appropriate state and/or local agencies and provide Ecology with written documentation from those agencies of the substantive requirements those agencies believe are applicable to the remedial action. Ecology shall make the final determination on the additional substantive requirements that must be met by NuStar and on how NuStar must meet those requirements. Ecology shall inform NuStar in writing of these requirements. Once established by Ecology, the additional requirements shall be enforceable requirements of this Order. NuStar shall not begin or continue the remedial action potentially subject to the additional requirements until Ecology makes its final determination.

3. Pursuant to RCW 70.105D.090(2), in the event Ecology determines that the exemption from complying with the procedural requirements of the laws referenced in RCW 70.105D.090(1) would result in the loss of approval from a federal agency that is necessary for the State to administer any federal law, the exemption shall not apply and NuStar shall comply with both the procedural and substantive requirements of the laws referenced in RCW 70.105D.090(1), including any requirements to obtain permits.

Q. Indemnification

NuStar agrees to indemnify and save and hold the State of Washington, and its employees and agents, harmless from any and all claims or causes of action for death or injuries to persons or for loss or damage to property to the extent arising from or on account of acts or omissions of NuStar, its officers, employees, agents, or contractors in entering into and implementing this Order. However, NuStar shall not indemnify the State of Washington nor save nor hold its employees and agents harmless from any claims or causes of action to the extent arising out of the negligent acts or omissions of the State of Washington, or the employees or agents of the State, in entering into or implementing this Order.

IX. SATISFACTION OF ORDER

The provisions of this Order shall be deemed satisfied upon NuStar's receipt of written notification from Ecology that NuStar has completed the remedial activity required by this Order, as amended by any modifications, and that NuStar has complied with all other provisions of this Agreed Order.

X. ENFORCEMENT

Pursuant to RCW 70.105D.050, this Order may be enforced as follows:

A. The Attorney General may bring an action to enforce this Order in a state or federal court.

B. The Attorney General may seek, by filing an action, if necessary, to recover amounts spent by Ecology for investigative and remedial actions and orders related to the Site.

C. In the event NuStar refuses, without sufficient cause, to comply with any term of this Order, NuStar will be liable for:

1. Up to three (3) times the amount of any costs incurred by the State of Washington as a result of its refusal to comply; and

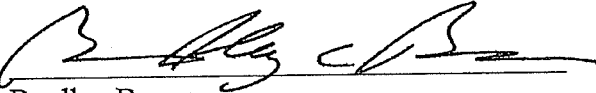
2. Civil penalties of up to twenty-five thousand dollars (\$25,000) per day for each day it refuses to comply.

D. This Order is not appealable to the Washington Pollution Control Hearings Board.
This Order may be reviewed only as provided under RCW 70.105D.060.

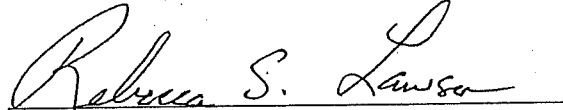
Effective date of this Order: 11/16/08

**NUSTAR TERMINALS OPERATIONS
PARTNERSHIP L.P., a Delaware limited
partnership
(d/b/a NuStar)**

**STATE OF WASHINGTON,
DEPARTMENT OF ECOLOGY**

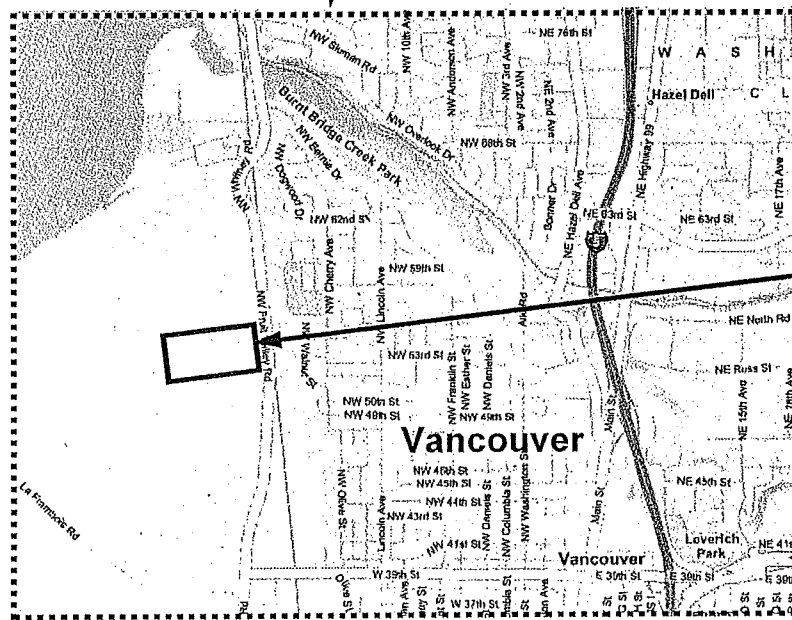
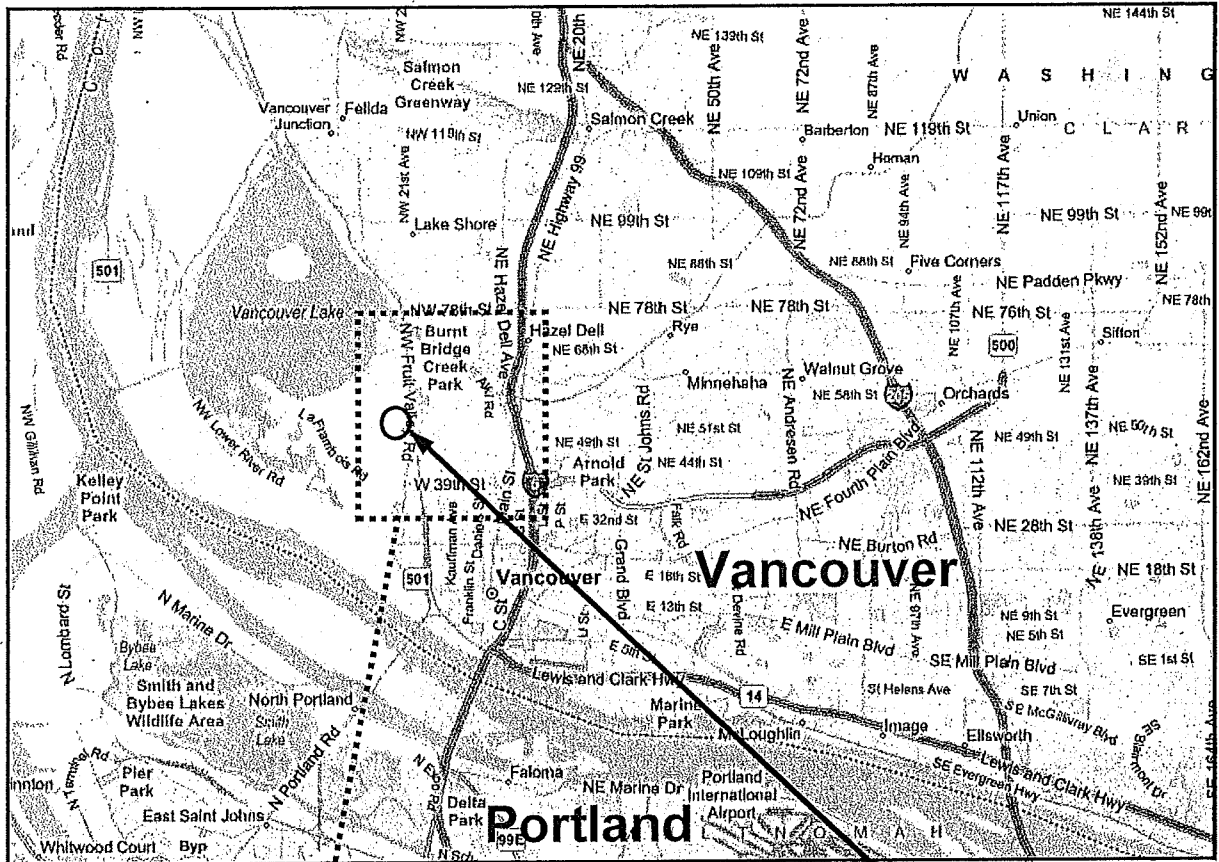


Bradley Barron,
General Counsel and Senior Vice President
(210) 918-2000



Rebecca S. Lawson, P.E., LHG
Section Manager / Toxics Cleanup Program
Southwest Regional Office
(360) 407-6241

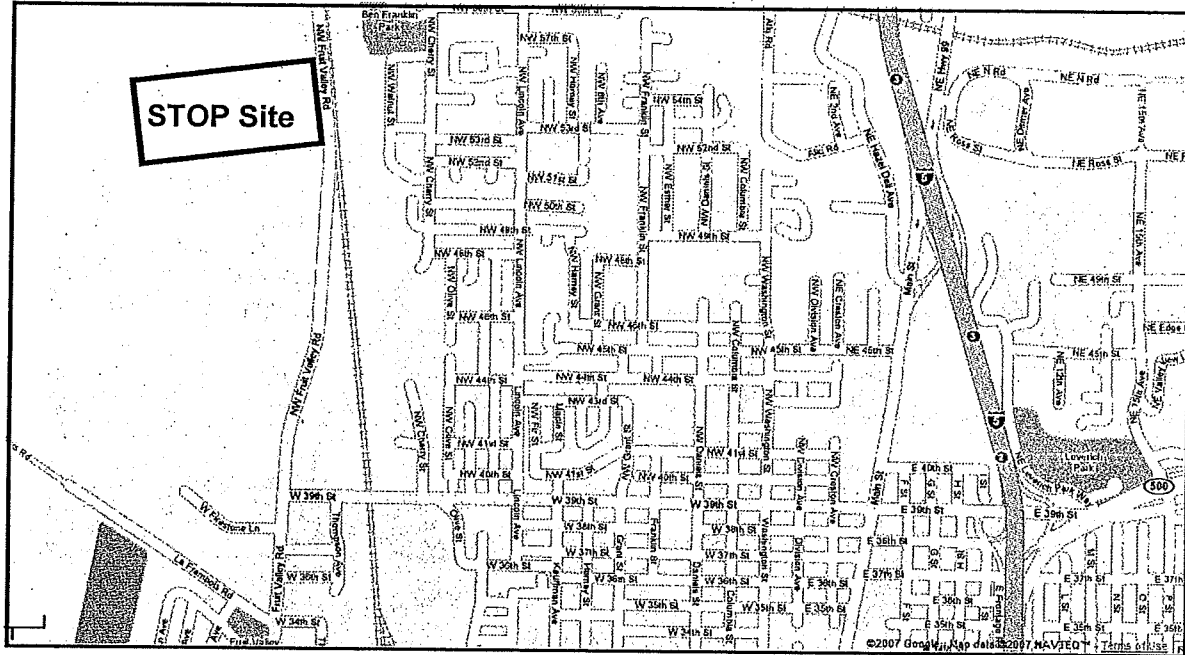
EXHIBIT A-1



Location of NuStar
Terminals Operations
Partnership L.P. Site
(NTO site)

Vancouver, WA

EXHIBIT A-2



Vancouver, Washington

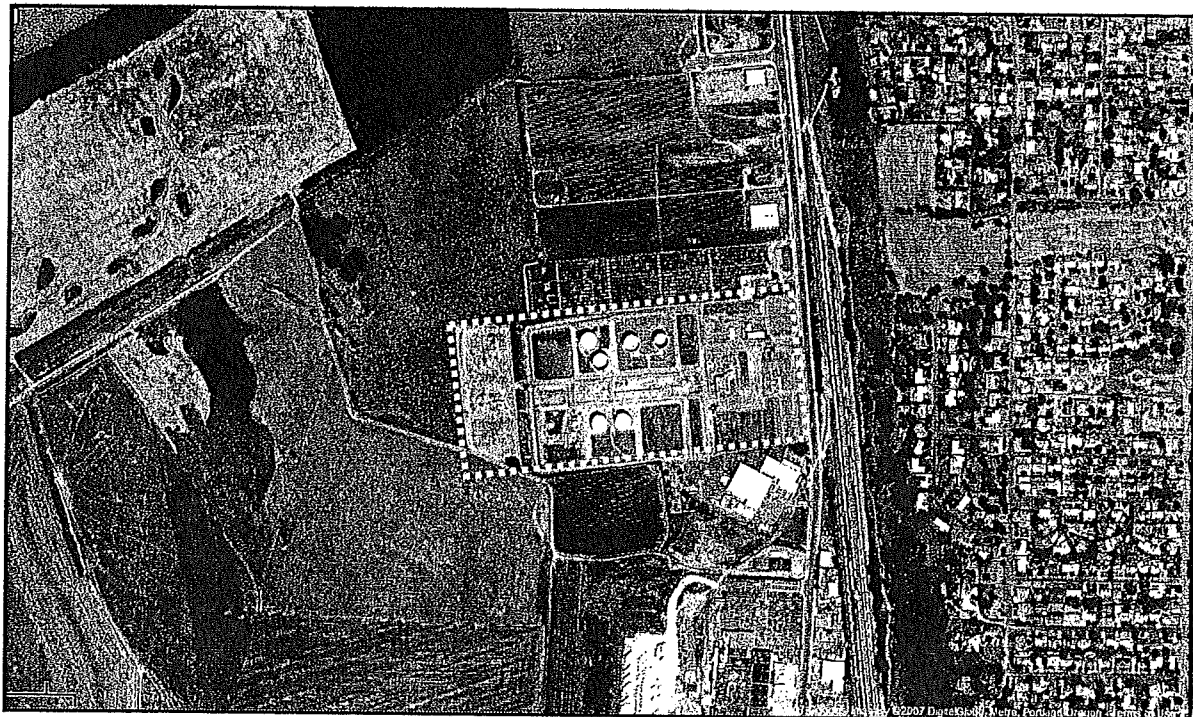


EXHIBIT A-3

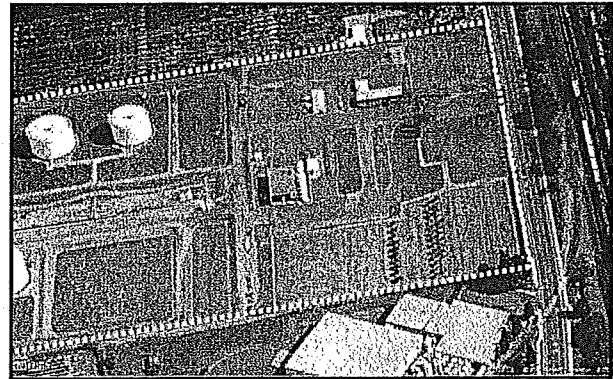
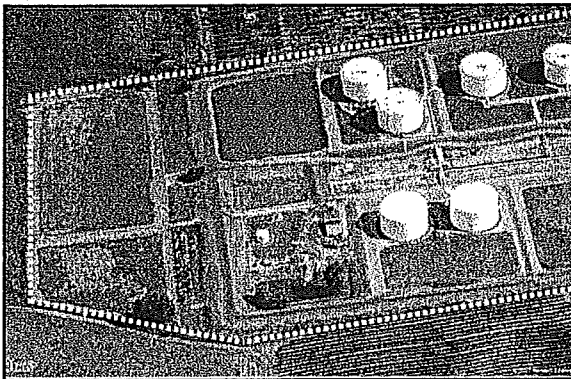
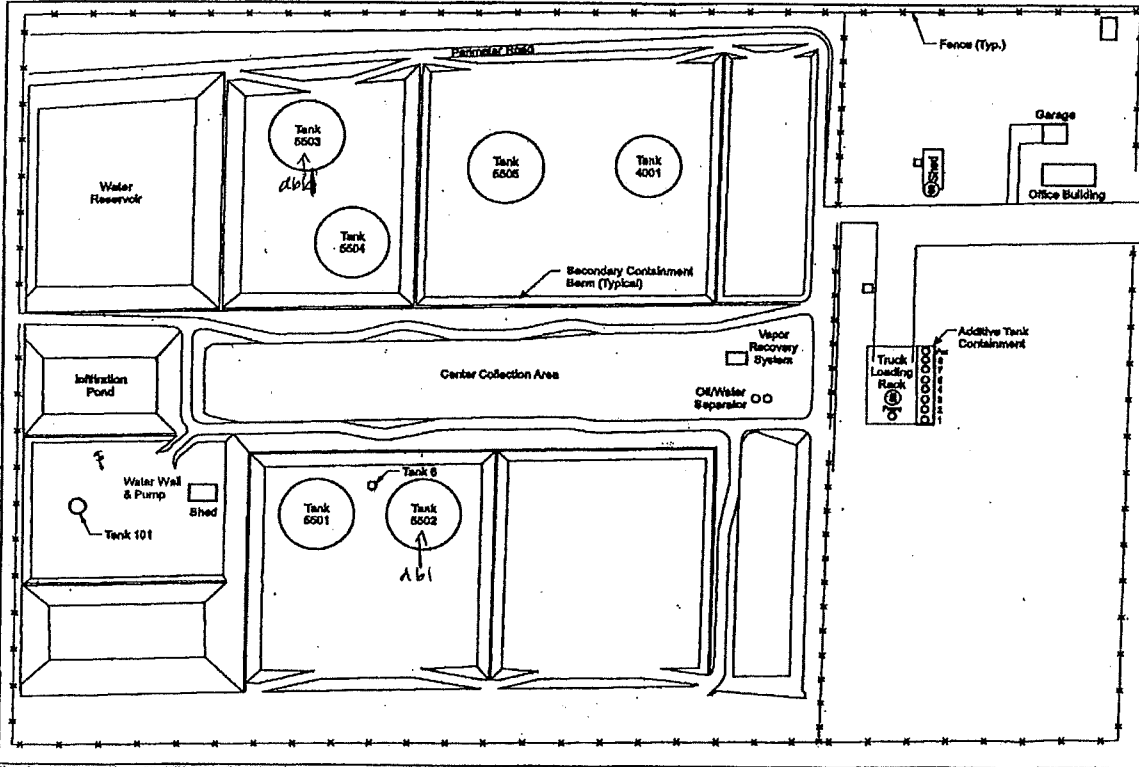


EXHIBIT A-4

Site Diagram

Site Plan
ST Services, Vancouver STOP 59
Vancouver, Washington



Note: Base map prepared from a GENEX Vancouver Terminal Plot Plan.

EXHIBIT B

Property Map – Legal

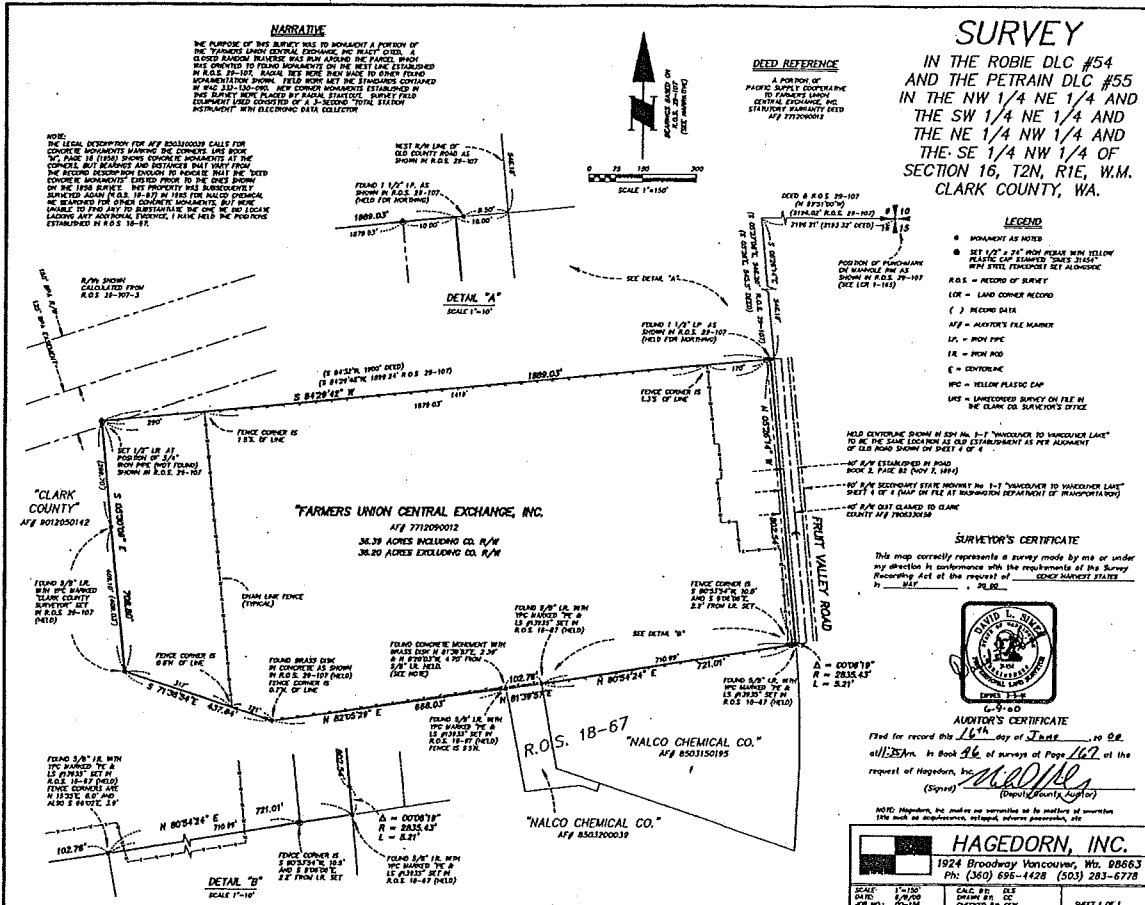


EXHIBIT C

Legal Description of Subject Property

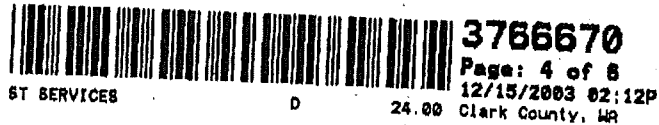


Exhibit "A"

A portion of the Robie Donation Land Claim No. 54 and the Petrain Donation Land Claim No. 55 in the North half of Section 16, Township 2 North, Range 1 East, Willamette Meridian, Clark County, Washington, described as follows:

BEGINNING at the Northeast corner of Section 16, as shown in Book 29 of surveys, Page 107, Clark County Auditor's records; thence North 89° 51' 00" West, 2,196.21 feet to the West right-of-way line of the "Old County Road"; thence South 05° 26' 14" East, along the West right-of-way line of the "Old County Road", for a distance of 546.18 feet; thence South 84° 29' 42" West, 8.50 feet to a 1-1/2 inch iron pipe (Survey 29-107); thence continuing South 84° 29' 42" West, 1.50 feet to the West right-of-way line of "Secondary State Highway No. 1-T" (said point also being the Northeast corner of the "Farmers Union Central Exchange, Inc. tract" as described under Clark County Auditor's file No. 7712090012) and the True Point of Beginning; thence continuing South 84° 29' 42" West, along the North line of the "Farmers Union Central Exchange, Inc. tract", 1,889.03 feet to a 1/2 inch iron rod set in a "2000 Hagedorn Inc. Survey" to replace a 3/4 inch iron pipe shown in Survey 29-107 (said point also being on the East line of the "Clark County tract" as described under Clark County Auditor's file No. 9012050142); thence South 05° 30' 09" East, along the East line of said "Clark County tract", for a distance of 299.70 feet to a 5/8 inch iron rod (Survey 29-107); thence continuing South 05° 30' 09" East, 409.10 feet to a 5/8 inch iron rod (Survey 29-107) at the Southeast corner of said "Clark County tract"; thence South 71° 38' 54" East, 437.84 feet to a concrete monument with brass cap (Survey 29-107); thence North 82° 05' 29" East, 666.03 feet to a 5/8 inch iron rod (Survey 18-67) at the Northwest corner of the "Nalco Chemical Co. tract" as described under Clark County Auditor's file No. 8503200039; thence North 81° 39' 57" East, 102.76 feet to a 5/8 inch iron rod (Survey 18-67) at the Northeast corner of said "Nalco Chemical Co. tract" (said point also being the Northwest corner of another "Nalco Chemical Co. tract" as described under Clark County Auditor's file No. 8503150195); thence North 80° 54' 24" East, 721.01 feet to a 5/8 inch iron rod (Survey 18-67) at the Northeast corner of the latter "Nalco Chemical Co. tract" (Auditor's file No. 8503150195, said point also being the Southeast corner of the Farmer's Union Central Exchange, Inc. tract", and also being on the West right-of-way line of "Secondary State Highway No. 1-T"); thence Northerly, along said West right-of-way line along the arc of a 2,835.43 foot radius curve to the Left, (the radial bearing of which is South 84° 40' 05" West), through a central angle of 00-06-19, for an arc distance of 5.21 feet; thence North 05° 26' 14" West, 802.54 feet to the True Point of Beginning.

EXCEPT County Roads.

EXHIBIT D

Project Schedule

Refer to Section VII (Work to be Performed)

Action/Deliverable	Start, Completion, or Submittal Date
Submit Remedial Investigation Work Plan	Within two months of effective date of AO
Submit Draft RI report	Within 12 months of Ecology's approval of the Remedial Action Work Plan
Submit IA Design and Work Plan <i>(If, based on the draft RI Investigation report or indicative findings during the investigation, Ecology determines an Interim Action is necessary)</i>	Within three months of an Ecology notification to NuStar requiring an Interim Action.
Implement Interim Action <i>(If, based on the draft RI Investigation report or indicative findings during the investigation, Ecology determines an Interim Action is necessary)</i>	Within four months of Ecology's approval of the Interim Action Work Plan (if an Interim Action Work Plan was required)
Submit Draft Risk Assessment report	Within 12 months of effective date of AO
Submit Draft IA Summary report*	Within 12 months of IA implementation
Submit Draft Feasibility Study report	Within 12 months of Ecology's approval of the Final Remedial Investigation Report
Submit Final RI/IA*/RA/FS reports <i>(Incorporating any revisions indicated by Ecology's comments on the respective drafts, unless the Parties agree otherwise or the recommendations are changed through the dispute resolution process)</i>	Within two months of receiving Ecology's comments on the respective <i>draft</i> RI/IA/RA/FS reports
Submit Groundwater Monitoring Reports	Within 45 days of the end of the monitoring Period defined in the Ecology-approved Groundwater Monitoring Plan

This schedule assumes a maximum of two months review and approval time for Ecology's review of draft documents.

AO = Agreed Order
RI = Remedial Investigation
IA = Interim Action
RA = Risk Assessment
FS = Feasibility Study

**required only if an Interim Action is implemented*



EXHIBIT E

Applicable Permits and Substantive Requirements

Refer to Section VII-P of this Order

NuStar has a continuing obligation to determine whether additional permits or approvals addressed in RCW 70.105D.090(1) would otherwise be required for the remedial action under this Order. In the event either Ecology or NuStar determines that additional permits or approvals addressed in RCW 70.105D.090(1) would otherwise be required for the remedial action under this Order, it shall promptly notify the other party of its determination. Ecology shall determine whether Ecology or NuStar shall be responsible to contact the appropriate state and/or local agencies. If Ecology so requires, NuStar shall promptly consult with the appropriate state and/or local agencies and provide Ecology with written documentation from those agencies of the substantive requirements those agencies believe are applicable to the remedial action. Ecology shall make the final determination on the additional substantive requirements that must be met by NuStar and on how NuStar must meet those requirements. Ecology shall inform NuStar in writing of these requirements. Once established by Ecology, the additional requirements shall be enforceable requirements of this Order. NuStar shall not begin or continue the remedial action potentially subject to the additional requirements until Ecology makes its final determination.

Laws and regulations addressing permits or federal, state, or local requirements that Ecology believes may be applicable at the time of entry of this Order are listed below. This list may not include all pertinent laws and regulations. Work performed shall be in accordance within the substantive requirements of any applicable law or regulation.

- Chapter 70.150D RCW (Model Toxics Control Act), and Chapter 173-340 WAC (MTCA Regulations)
- Chapter 70.105 RCW (Washington State Hazardous Waste Management Act), and Chapter 173-303 WAC (State Dangerous Waste Regulations)
- Chapter 90.48 RCW (State Water Pollution Control Act)
- Chapter 70.95 RCW (Solid Waste Management – Reduction and Recycling)
- Chapter 70.94 RCW (Washington Clean Air Act) and any required permits by the Southwest Clean Air Agency (SWCAA)
- Chapter 173-160 RCW (Minimum Standards for Construction and Maintenance of Wells)
- Chapter 43.21C RCW (State Environmental Policy Act), and Chapter 197-11 WAC (State Environmental Policy Act Rules)
- Washington Industrial Safety and Health Act (WISHA)
- Applicable City of Vancouver Municipal Codes
- Applicable Clark County Codes