BEFORE THE KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT

IN THE MATTER OF
POLLUTION AT
NATIONAL ZINC SITE
CHERRYVALE, KANSAS

CONSENT ORDER
Case No. 03-E-0222 A

AMENDMENT TO CONSENT ORDER

The Kansas Department of Health and Environment (hereinafter “KDHE”) and United States Steel Corporation and Citigroup Global Market Holdings, Inc., formerly known as Salomon Smith Barney Holdings, Inc., (hereinafter “Respondents”), mutually agree to amend the terms of the Consent Order entered into by the parties dated April 7, 2003 (hereinafter referred to as “Consent Order”).

INTRODUCTION

The Respondents completed and fully performed the Removal Site Evaluation and Removal Action Design at the Site as provided in the above referenced Consent Order. The Respondents and KDHE now find that it is in the best interest of the parties to amend the Consent Order to include Removal Action (“RA”) at the Site.

The purpose of the Amendment to Consent Order (hereinafter “Amendment”) is to set forth the parties’ responsibilities with respect to RA at the Site.

ORDER

Therefore Consent Order 03-E-0222, pursuant to Paragraphs 76 and 77 thereof shall be amended to include the following provisions:
1. Respondents have timely completed the Removal Site Evaluation and Removal Action Design as required by the Consent Order.


3. In January of 2007, Respondents submitted a draft Work Plan for KDHE approval. The draft Work Plan as revised and resubmitted to KDHE in March, 2007 in response to KDHE’s comments (hereinafter the “RA Plan”): (a) satisfies the CAD requirements; (b) is consistent with the RA portion of the Scope of Work (“SOW”) attached and incorporated in the original Consent Order as Exhibit 1; and (c) is in compliance with the Deliverable Schedule attached hereto and incorporated herein by reference as Exhibit A-2. The RA Plan was approved by KDHE on April 5, 2007.

4. The RA Work Plan is hereby incorporated into this Amendment and shall become a part hereof as Exhibit A-3.

5. Within thirty (30) days after the effective date hereof, Respondents shall commence performance of Removal Action at the Site. The Respondents shall thereafter carry out and complete such Removal Action in accordance with the requirements of the RA Plan and within the time frame provided for in the schedule set forth in Figure 7 of the RA Plan and the Deliverable Schedule, Exhibit A-2.

6. References to requirement(s) for particular activities contained in paragraphs 4 through 78 of the Consent Order shall include all matters contemplated by this Amendment, including but not limited to stipulated penalties, force majeure and additional work requirements.
7. Except as provided in this Amendment, all other provisions of the Consent Order shall remain in full force and effect and shall be applicable to all matters contemplated by this Amendment.

8. All wells installed for the purpose of the Consent Order including those drilled by KDHE for investigation purposes prior to the effective date of the Consent Order, shall be deemed by the property of the Respondents. If any wells are installed on property not owned by Respondents, Respondents shall be responsible for such wells. At the request of Respondents, KDHE, by letter dated February 26, 2007, has granted approval to Respondents to properly plug all on-Site and off-Site monitoring wells prior to startup of any construction activity.

CONTRIBUTION AND RESERVATION OF RIGHTS

1. Upon completion of this Consent Order Amendment, pursuant to the provisions of paragraph 78 of the Consent Order, the Respondents shall be deemed to have resolved their liability to KDHE for the performance of the tasks required pursuant to this Consent Order Amendment. To the extent possible, Consent Order No. 03-E-0222 and this Consent Order Amendment should be considered an administrative settlement insofar as removal site investigation and removal action at this Site and as such, Respondents are entitled to protection from contribution actions or claims as provided by Section 113(i)(2) of CERCLA, 42 U.S.C. 9613 (i)(2) for those matters/remedial activities.

2. Except as specifically provided, nothing herein shall limit the power and authority of KDHE to take, direct, or order all actions necessary to protect health, welfare, or the environment or to prevent, abate, minimize an actual or threatened release of hazardous substances, pollutants or contaminants, or hazardous or solid waste on, at, or from the
Site. Further, nothing herein shall prevent KDHE from seeking legal or equitable relief to enforce the terms of this Consent Order, from taking other legal or equitable action as it deems appropriate and necessary, or from requiring Respondent in the future to perform additional activities pursuant to applicable law.

3. KDHE reserves, and the Consent Order and this Amendment thereto is without prejudice to, all rights against Respondent with respect to all other matters, including, but not limited to:

a. claims based on a failure by Respondent to meet a requirement of this Amendment to Consent Order No. 03-E-0222;

b. liability for costs not included and described in the Reimbursement of Costs Section of the Consent Order;

c. liability for performance of response actions other than the RSE/RAD/RA Scope of Work;

d. criminal liability;

e. liability for damages for injury to, destruction of, or loss of natural resources incurred through the implementation of this Consent Order.

f. liability arising from the past, present, or future disposal, release or threat of release of hazardous substances and hazardous wastes.

**EFFECTIVE DATE AND EXECUTION**

1. This Amendment to Consent Order shall be effective as of the date signed by the Secretary of the Kansas Department of Health and Environment.

2. This Amendment may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.
IN WITNESS WHEREOF, the parties have affixed their signatures below:

STATE OF KANSAS:

[Signature]

Roderick L. Bremby, Secretary
Kansas Department of Health and Environment

Date: 6/4/07
CITICORP GLOBAL HOLDINGS, f/k/a
SALOMON SMITH BARNEY HOLDINGS, INC.:  

Date: May 31, 2007

By: Ellen T. O'Brien

Title: Counsel
UNITED STATES STEEL CORPORATION:

By: William J. McKim
Title: Assistant General Counsel
600 Grant Street, Room 1500
Pittsburgh, PA 15219

Date: May 30, 2007
CERTIFICATE OF MAILING

I hereby certify that on this 5th day of June, 2007, a true and correct copy of the above and foregoing Amendment to Consent Order was deposited in the United States Mail, postage prepaid and addressed to:

William C. Anderson  
Doerner, Saunders, Daniel & Anderson, LLP  
Suite 500  
320 South Boston Avenue  
Tulsa, Oklahoma 74103-3725

David L. Smiga  
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Pittsburgh, Pennsylvania 15219-2800

Kama J. Maruska  
KDHE Staff Member