

**UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF LOUISIANA**

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**UNITED STATES OF AMERICA and** )  
**STATE OF LOUISIANA,** )  
 )  
**Plaintiffs,** )  
 )  
**v.** )  
 )  
**CITGO PETROLEUM CORPORATION,** )  
 )  
**Defendant.** )

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**CONSENT DECREE FOR  
NATURAL RESOURCE DAMAGES**

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## I. INTRODUCTION

A. Contemporaneously with the lodging of this Consent Decree, the United States of America, on behalf of the United States Department of Commerce's National Oceanic and Atmospheric Administration ("NOAA"), the United States Department of the Interior ("DOI"), and the United States Fish and Wildlife Service ("FWS"), jointly with the State of Louisiana (the "State"), appearing through the Louisiana Oil Spill Coordinator's Office, Department of Public Safety & Corrections ("LOSCO"), Louisiana Department of Natural Resources ("LDNR"), Louisiana Department of Environmental Quality ("LDEQ"), Louisiana Department of Wildlife and Fisheries ("LDWF"), and the Louisiana Coastal Protection and Restoration Authority ("CPRA"), have filed a Complaint against CITGO Petroleum Corporation ("CITGO" or "Settling Defendant") in this Court alleging that CITGO is liable to the United States and the State under Section 1002(a) and (b)(2)(A) of the Oil Pollution Act of 1990 ("OPA"), 33 U.S.C. § 2702 (a) and (b)(2)(A), and Section 2480 of the Louisiana Oil Spill Prevention and Response Act ("OSPRA"), La. R.S. 30:2480, for damages for injury to, destruction of, loss of, or loss of use of, Natural Resources, resulting from the discharge of oil from CITGO's Lake Charles Refinery into the Calcasieu River and estuary in June of 2006.

B. The Complaint alleges that beginning on or about June 18, 2006, millions of gallons of oil and oily wastewater (collectively, "oil") overflowed from two of CITGO's wastewater storage tanks at its wastewater treatment facility at the refinery. The secondary containment surrounding the tanks was breached and oil flowed into and upon the adjacent Indian Marais waterway and shoreline, where some of the oil was contained, and then into the Calcasieu River and estuary. These events are referred to as the "Incident." In response to the

Incident, the Trustees evaluated the potential impacts to Natural Resources and identified potential actions to restore affected Natural Resources.

C. The Complaint further alleges that the Incident caused injury to, destruction of, loss of, or loss of use of, Natural Resources belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the United States and the State. The Complaint also alleges that the Trustees have incurred costs in assessing the nature and extent of these injuries.

D. The Trustees for the Natural Resources alleged to be injured by the Incident include NOAA and FWS, on behalf of the United States, and LOSCO, LDNR, LDEQ, LDWF, and CPRA, on behalf of the State. NOAA and FWS are designated as Trustees pursuant to Section 1006(b)(2) of OPA, 33 U.S.C. § 2706(b)(2), Subpart G of the National Oil and Hazardous Substances Pollution Contingency Plan (“NCP”) (40 C.F.R. §§ 300.600, *et seq.*) and Executive Order 12580 (3 C.F.R., 1987 Comp. p. 193, 52 Fed. Reg. 2923 (January 23, 1987) as amended by Executive Order 12777 (56 Fed. Reg. 54757 (October 19, 1991))). LOSCO, LDNR, LDEQ, LDWF, and CPRA are designated as Trustees by the Governor of Louisiana pursuant to Section 1006(b)(3) of OPA, 33 U.S.C. § 2706(b)(3), and subpart G of the NCP. These same agencies serve as State Trustees under OSPRA according to La. R.S. 30:2451, *et seq.* and LA. ADMIN. CODE tit. 43, part XXIX, *et seq.* The United States and the State are coordinating injury assessment and Restoration efforts. Based on the Trustees’ work to assess injuries in this case and experience with restoration efforts throughout the region, the Trustees believe the amount to be paid by the Settling Defendant as set forth in this Consent Decree constitutes adequate compensation for Natural Resource Damages arising from the Incident.

E. The Settling Defendant neither admits nor denies the allegations in the Complaint or Consent Decree and does not admit liability for the claims filed in this action.

F. The Parties agree, and the Court, by entering this Consent Decree, finds that this Consent Decree has been negotiated by the Parties in good faith, that it is intended to avoid potentially prolonged and complicated litigation among the Parties and expedite natural resource restoration actions to be performed by the Trustees, and that it is fair, reasonable, and in the public interest consistent with the purposes of OPA.

NOW THEREFORE, with the consent of the Parties, IT IS HEREBY ADJUDGED, ORDERED AND DECREED as follows:

## **II. JURISDICTION AND VENUE**

1. This Court has jurisdiction over the subject matter of this action pursuant to Section 1017(b) of OPA, 33 U.S.C. § 2717(b), and 28 U.S.C. §§ 1331 and 1345. The Court also has supplemental jurisdiction over the State law claims alleged in the Complaint pursuant to 28 U.S.C. § 1367. Venue lies in this District pursuant to Section 1017(b) of OPA, 33 U.S.C. § 2717(b), and 28 U.S.C. § 1391(b), because the Settling Defendant resides in this judicial district and a substantial part of the alleged events or omissions giving rise to the claim occurred in this judicial district. The Court has personal jurisdiction over the Settling Defendant in connection with this action. For the purposes of this Consent Decree, and the underlying Complaint, the Settling Defendant waives all objections and defenses that it may have to jurisdiction of the Court or to venue in this District. The Settling Defendant agrees that it will not challenge this Court's jurisdiction to enter and enforce this Consent Decree.

2. For purposes of this Consent Decree, the Settling Defendant agrees that the Complaint states claims upon which relief may be granted pursuant to Section 1002(a) and (b)(2)(A) of OPA, 33 U.S.C. § 2702 (a) and (b)(2)(A), and Section 2480 of OSPRA, La. R.S. 30:2480.

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