PLAINTIFF'S EXHIBIT
UPRC-54

STATE OF OKLAHOMA)
) ss.
COUNTY OF TULSA)

AFFIDAVIT

BEFORE ME, the undersigned authority, on this day personally appeared Charles M. Floren, who is personally known to me, and who first being duly sworn according to law upon his oath swore that the facts stated herein are within his personal knowledge are true and correct and said:

1. My name is Charles M. Floren. I hold the title of Assistant Secretary of CITGO Petroleum Corporation.

2. Prior to March 1987, neither CITGO Petroleum Corporation, CITGO Refining & Chemicals, Inc. nor any of their parent or subsidiary corporations owned an interest in the facility known as the Champlin Refinery in Corpus Christi, Texas.

3. On March 17, 1987, an Asset Purchase and Contribution Agreement relating to the Champlin Refinery was executed under which CITGO-related entities first acquired an interest in the Champlin Refinery. Attached to this affidavit as Exhibit A are excerpts of the Asset Purchase and Contribution Agreement relating to the "Champlin Refinery".

Paragraph 2.4 entitled "Limited Assumption of Liabilities" set forth in Exhibit A established that, with limited exceptions, any liabilities which arose, existed or were incurred at the Refinery on or before the closing date of March 31, 1987 were not assumed by the CITGO entities involved in the transaction. The exceptions referred to in paragraph 2.4 are not applicable to claims alleging toxic exposure prior to March 31, 1987.

FURTHER AFFIANT SAYETH NOT.

ASSET PURCHASE AND CONTRIBUTION AGREEMENT

among

PETROLEOS DE VENEZUELA, S.A.,

PROPERCHAMP, INC.,

UNION PACIFIC CORPORATION,

CHAMPLIN PETROLEUM COMPANY,

CHAMPLIN REFINING, INC.

and

CHAMPLIN REFINING COMPANY

dated as of

March 17, 1987

EXHIBIT A

ASSET PURCHASE AND CONTRIBUTION AGREEMENT (this "Agreement"), dated as of March 17, 1987, made by and among PETROLEOS DE VENEZUELA, S.A., a Venezuelan corporation ("PDVSA"), PROPERCHAMP, INC., a Delaware corporation and wholly-owned indirect subsidiary of PDVSA ("Investor"), UNION PACIFIC CORPORATION, a Utah corporation ("UP"), CHAMPLIN PETROLEUM COMPANY, a Delaware corporation and wholly-owned subsidiary of UP ("Champlin"), CHAMPLIN REFINING, INC., a Delaware corporation and wholly-owned subsidiary of Champlin ("Champlin Sub"), and CHAMPLIN REFINING COMPANY, a Delaware general partnership ("Purchaser").

WHEREAS, Purchaser is a partnership created pursuant to the Initial Partnership Agreement between Investor and Champlin Sub dated as of November 1, 1986 (the "Initial Partnership Agreement");

WHEREAS, pursuant to this Agreement, Champlin will sell, contribute, assign, convey, transfer and deliver to Purchaser and Purchaser will purchase and accept from Champlin the assets of Champlin described herein; and

WHEREAS, each of the parties hereto desires that, except as provided herein, the economic and accounting effects of the transactions contemplated hereby shall be the same as if the Closing had occurred on the Effective Date;

NOW, THEREFORE, in consideration of the mutual representations, warranties, covenants, agreements and undertakings contained or referred to in this Agreement, the parties hereby agree as follows:

ARTICLE TWO

CLOSING; TRANSACTIONS; LIMITED ASSUMPTION OF LIABILITIES

2.1 Closing. The closing of the transactions provided for in this Agreement (the "Closing") shall be held at 10:00 A.M. at the offices of Cleary, Gottlieb, Steen & Hamilton, One State Street Plaza, New York, New York, on March 31, 1987 or such other time and date as the parties hereto may designate by mutual consent (the "Closing Date").

2.4 Limited Assumption of Liabilities. (a) Except as provided in Section 2.4(b) or elsewhere in this Agreement, none of PDVSA and its Affiliates (including, but not limited to, Purchaser), in connection with the purchase or acceptance of the Assets, this Agreement, the Related Agreements or otherwise, assumes or is in any manner responsible for any liabilities (whether known, unknown, accrued, absolute, contingent or otherwise) (i) in connection with any violation of any Legal Requirement by any of Champlin, Champlin Sub, UP and/or their Affiliates on or before the Closing Date and/or (ii) that arose, existed or were incurred on or before the Closing Date (such liabilities, to the extent not assumed pursuant to Section 2.4(b) or elsewhere in this Agreement, the "Retained Liabilities"). For purposes of clause (ii) of the immediately preceding sentence, any obligations or liabilities (whether under a Contract, at common law or otherwise) or claims or causes of action that arise out of a transaction shall be deemed to have been incurred at the time of such transaction, irrespective of the date or time on which such obligation, liability, claim or cause of action may be asserted.

(b) Upon the condition that the Closing shall occur, Purchaser hereby assumes and agrees to discharge, effective at and after the Closing, any and all liabilities and obligations (the "Assumed Liabilities") of Champlin:

(i) that arose during the Effective Period to the extent incurred in the ordinary course of business of the Operations during the Effective Period;

(ii) under any of the Long Term Contracts or Short Term Contracts, to the extent they relate to the Operations, that arise on or after the Effective Date to the extent that Champlin assigns to Purchaser or otherwise provides to Purchaser the corresponding benefits; and/or

(iii) under any Legal Requirement designed to protect the environment or health or safety in the work place, to perform any Cleanup Actions in connection with any condition or circumstance which exists on or in any of the Assets or Excluded Sublease Assets on or after the Effective Date, but only if such condition or circumstance as it existed on the Effective Date (1) would have caused any representation or warranty of Champlin contained in Article Three to be untrue and/or incorrect as of the Effective Date, (2) would not have been Champlin's responsibility pursuant to Section 12.11 or 12.12 if such Legal Requirement had become effective immediately after the Closing, unless Champlin shall have been released from its obligations therefor pursuant to such Section, and (3) was not in violation of any Legal Requirement or Permit as of the Effective Date;

<u>provided</u> that in no event shall Assumed Liabilities include any liability or obligation of Champlin or its Affiliates:

(A) subject to Section 12.14, under any Long Term Contract (1) in existence prior to the Effective Date which is not listed on Schedule 3.11(a), including, but not limited to, the Lease, or (2) which was entered into during the Effective Period but not in the ordinary course of business;

(B) except as specifically provided in Article Twelve, for salary, wages, benefits, supplies or overhead for any employees other than Proposed Transferees who are based at the Corpus Christi Refinery or in Houston, Texas;

(C) for any taxes, levies or imposts based upon the income of Champlin or Nueces or for any taxes, levies or imposts based upon periods prior to the Effective Date;

(D) incurred in connection with the negotiation, preparation, execution or closing of this Agreement or, except for such liabilities that are clearly for the ongoing benefit of Purchaser or mutually agreed upon by Investor and Champlin Sub, the transactions provided for hereby;

(E) under the Agreement for the Exchange of Assets or the Agreement for the Purchase and Sale of Assets, both dated March 13, 1984 between Champlin and American Petrofina Marketing Inc., other than restrictions on trade name, trademark and service mark use contained in Article XIX Section B of the latter;

(F) incurred in connection with: any payments for which Champlin is to be reimbursed under Section 12.6, any expense listed on Schedule 12.7, any costs or expenses for which Champlin would reimburse Purchaser under Section 12.10 if incurred by Purchaser or, to the extent Champlin would be liable therefor pursuant to Section 12.11, 12.12 or 12.13, any Cleanup Actions in connection with any Inactive Waste Facility or any upgrade of a surge/equalization basin at the East plant;.

(G) incurred in connection with sales made prior to the Effective Date, including, but not limited to, claims for product liability which are not asserted until after the Effective Date;

(H) which would have been incurred by Champlin in the performance of its obligations, had the Closing occurred on the Effective Date, under or with respect to each of the following agreements: the Barge Agreements, the Butane Agreement, the Computer Access Agreement, the Data Processing Equipment Sublease, the Domestic Crude Agreement, the Insurance Premium and Expense Allocation Agreement, the Office Space Sublease, the Services Agreement, the Software Licensing Agreement and the Sublease Agreement; and/or

(I) except as otherwise provided in this Agreement, to any of Champlin's Affiliates other than for (1) goods purchased or transportation services rendered at market rates, (2) company aircraft usage charged at Champlin's average cost per mile or (3) in reimbursement for liabilities of such Affiliates to third parties clearly incurred for the benefit of Purchaser in the ordinary course.

(c) Upon the condition that the Closing shall occur, Purchaser agrees to discharge all liabilities and obligations which are incurred by Purchaser at or after the Closing.

ROYSTON, RAYZOR, VICKERY & WILLIAMS, L.L.P.

Attorneys at Law
1700 Wilson Plaza West
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Corpus Christi, Texas 78476
Telephone No.: (361) 884-8808
Facsimile No.: (361) 884-7261

Company / Champlin

SZF/8

DATE: September 22, 1999

OUR FILE: 44,487

YOUR FILE:

TO: Baron & Budd

FAX NO.: (214) 520-1181

ATTN: Stephanie Finch

TOTAL PAGES: (incl. this page) 10

FROM: Chris Lowrance

RE: Cedillo

INSTRUCTIONS/COMMENTS: Attached is the Affidavit of CITGO representative, Charles Floren, we discussed. I will be out of the office today. However, should you have any questions, you can contact my paralegal, Renee Scott.

Citgo

Corp Financial

IF THIS FAX IS INCOMPLETE OR ILLEGIBLE, PLEASE CALL THE SENDER AS SOON AS POSSIBLE AT TELEPHONE NUMBER (361) 884-8808 EXT. 205.