Schedule 3.6

SUPPLEMENTAL ENVIRONMENTAL

DISCLOSURES

June 18, 1984

1. WITH RESPECT TO ALL PLANTS, PROPERTIES AND PREMISES:

The Environmental Survey, the Environmental Status Report (Schedule 16.2 (ii)) and this Supplemental Disclosure discuss matters of environmental concern about which Conoco has specific knowledge. It has been Conoco's policy to operate in compliance with all applicable laws and regulations. However, it must be noted that pollution control equipment at all of the plants and properties comprising the Business has not been able to achieve 100% compliance with existing governmental requirements on a continuous basis. Periodic exceedances of permit limitations and regulatory standards have occurred throughout the history of the Business, although the majority of these exceedances were de minimis violations having no significant environmental impact. Seller and Du Pont cannot provide assurances that exceedances of permit limitations and regulatory standards will not occur in the future.

Also, it should be emphasized that there is a strong likelihood that soil and groundwater at various locations beneath the plants and properties comprising the Business has been exposed to chemical contamination as the result of spills, seepage, leaks and other events. This is a common condition at many industrial facilities. The documents comprising Schedule 3.6 have identified known instances of soil and groundwater contamination, but it is reasonably certain that other instances of contamination exist.

2. On April 26, 1984, the Conoco Legal Department provided written comments on the Aberdeen Chemical Plant's VCM Release Prevention Study.

3. The Oklahoma City Plant has experienced some difficulties with respect to particulate (resin) emissions from bag house upsets and rail car loading.

4. On March 2, 1984, Conoco's Baltimore Chemical Plant was served with a Summons and a Subpoena Duces Tecum issued by both the Circuit Court for Baltimore City Grand Jury and the Grand Jury for Baltimore County. The City and County Grand Juries originally ordered an authorized records custodian to appear before them on March 8, 1984, (County Grand Jury), and March [illegible] 1984, (City Grand Jury), and to bring an extensive

collection of documents relating to hazardous waste matters from the period between January 1, 1982, and August 1, 1983.

Both Grand Jury proceedings were initiated by the Maryland Attorney General's office on behalf of the Maryland Hazardous Waste Strike Force. Based upon discussions with the Assistant Attorney General, it is Conoco's understanding that the focus of the Grand Jury investigations is on two waste recycle operations which have handled the Baltimore Plant's wastes.

An informal meeting between Conoco and the Maryland Attorney General's office was held on March 20, 1984, in lieu of a formal appearance before the Grand Jury proceedings. Following the meeting on March 20, the Assistant Attorney General complied with her agreement to notify Conoco of its status in the pending investigation. Specifically, the Assistant Attorney General has assured Conoco that the Baltimore Chemical Plant is not presently a target of the pending Grand Jury proceedings.

At this time, the plant intends to maintain all relevant documents and be prepared to provide one or more plant personnel as witnesses, if requested. In addition the Baltimore Plant Manager has initiated an internal review of hazardous waste procedures followed at the plant to assist in locating any areas requiring changes in training or procedures.

5. The memoranda attached to this Supplement as Attachment 1, related to the Hammond Chemical Plant, are incorporated into this Schedule 3.6.

6. Conoco owns several experimental facilities used for research purposes by the Research and Development Department. The plants, located in the Ponca City R & D complex, include a PVC pilot plant, alkylation pilot plant, sulfonation pilot plant, alumina pilot plant, and a molecular sieve pilot plant. These pilot plants are sources of various air contaminants in small amounts; the plants are operated only intermittently.

On November 6, 1981, the Oklahoma State Department of Health issued Air Permit number 81-105-0 authorizing operation of the experimental pilot plants. The molecular sieve plant was not covered by this permit because it was deactivated at the

time the permit was applied for. The plant was later activated when the sulfonation pilot plant was "mothballed".

The air permit, in addition to the standard permit conditions, limited total emissions from the various pilot facilities not to exceed the de minimus quantities specified in EPA's PSD regulations and requires Conoco to submit a semi-annual report of actual emissions which are 50% or greater of the PSD de minimus quantities. The R & D Department interprets the emission limit in their permit as an authorization to operate any pilot facility so long as the total emissions remain within 50% of the PSD de minimus levels. For this reason, the air permit was not amended when the molecular sieve unit was reactivated.

As part of Conoco's asset transfer to Vista, attorneys for Vista have applied for an air permit for all the pilot plants being sold to Vista, including the sulfonation plant and the molecular sieve plant.

7. On May 21, 1984, the Lake Charles Chemical Complex submitted it's State Part 1 Hazardous Waste Application and Notification Form. This application did not include a number of hazardous waste facilities that had earlier been included on the Complex's Federal Part A Hazardous Waste Application. The reasons justifying these deletions are currently being documented in a letter that will be submitted in June of 1984 to the State Department of Environmental Quality. The rationale for these deletions, in most cases, relates to the fact that the wastes being handled by the deleted units no longer qualify as hazardous waste. For most of the facilities for which deletions were made, Solid Waste Notification Forms will be submitted to the state along with the explanation letter. The LCCC is currently late in submitting the solid waste notification required by state law.

The Lake Charles Chemical complex has also received two sets of ground water quality analyses which indicate that the complex is affecting ground water quality beneath the plant. Two corresponding ground water quality assessment plans have been submitted to the state, in accordance with state regulations, to address Conoco's additional efforts to assess these impacts.

8. By letter dated May 3, 1984, from the Oklahoma State Department of Health, the Oklahoma City Chemical Plant was

requested to submit an application for a final permit for hazardous waste management facilities pursuant to the Oklahoma Controlled Industrial Waste Disposal Act. Subsequent meetings with the state have resulted in negotiations to classify the plant as only a generator of hazardous waste, obviating the need for a hazardous waste permit. An outline of the submissions which the plant will need to make in order to be so reclassified is attached to and incorporated into this Supplement as Attachment 2.

9. Both the Oklahoma City PVC plant and the Ponca City R & D complex generate resin (powder) wastes. This material is a powdered plastic which is typically used for producing water pipes, plastic jacketing on electrical wires and other plastic products. Since 1979, Conoco has been handling this material as common trash for ultimate disposal at sanitary landfills. The decision to use this mode of disposal is based on communications between the Oklahoma Department of Health's Nancy Haxton Davis and Conoco's J. Paul Warner, at the Oklahoma City PVC plant. All material from the Ponca City R & D facility is tested to assure that residual VCM monomer is below 400 mg/kg.

By letter dated April 17, 1984, Conoco's R & D Department requested the Oklahoma Health Department's Industrial Waste Division to reconfirm that PVC resin with residual monomer concentrations lower than 500 mg/kg is still defined as a non-controlled industrial waste. The state's response is attached to and incorporated into this Supplement as Attachment 3.

10. Attached to and incorporated into this Supplement as Attachment 4 is a memorandum from J. J. Hall to B. I. Raffle which provides additional information on the closed municipal landfill in Aberdeen, Mississippi, which is believed to contain waste material from the Aberdeen Chemical Plant.

11. The Aberdeen Chemical Plant has formally requested the State of Mississippi to rescind its application for hazardous waste treatment and storage. If approved, the plant would be classified as a generator of hazardous waste, but not as a treater, storer or disposer. The documents relating to this request are attached to and incorporated into this Supplement as Attachment 5.

12. On May 19, 1984, the Baltimore Chemical Plant submitted an amendment to its RCRA Part A Application to the Maryland Waste Management Administration. A copy of the amended application is attached to and incorporated into this Supplement as Attachment 6.

13. On February 14, 1984, the State of Maryland requested information from the Baltimore Chemical Plant concerning hazardous waste management facilities at the plant. The status of Conoco's response to this information request is discussed in the documents which are attached to and incorporated into this Supplement as Attachment 7.

14. By letter dated May 25, 1984, co-signed by the Managers of Conoco's Lake Charles Refinery and Lake Charles Chemical Complex, to the Louisiana Department of Environmental Quality, the air emission rights associated with the Polyalphaolefin Unit (CDR™) were transferred from the Chemical Complex to the Refinery.

15. Supply and Transportation's Westlake Terminal has a diesel storage tank which is approximately 15 years old. Given the age of the tank, an air permit is not necessary because the tank was in existence prior to Louisiana's promulgation of hydrocarbon storage regulations. Even though it is "grandfathered," the tank's air emissions need to be reported to the Louisiana Department of Environmental Quality on an Emission Inventory Questionnaire (EIQ). Conoco has not previously filed an EIQ for this tank. When the terminal assets are transferred to Vista, Vista will need to add the emissions from the diesel tank to its emissions inventory by filing an EIQ for this tank (and any other air emission sources being transferred to it) with the DEQ.

16. On June 4, 1984, the Lake Charles Chemical Plant was visited by an EPA inspector inquiring about compliance with EPA's Toxic Substances Control Act regulations. Specifically, the inspector checked compliance with the PCB and Section 8(a), (c), (d) and (e) requirements.

The inspector initially indicated that the Dallas Regional EPA office had not received the LCCP's 8(a) report form for $MeCl_2$ in 1982. Subsequent investigation revealed an acknowledgement of receipt from from EPA. The inspector then reviewed 8(c) and 8(d) programs. He was pleased with the TSCA posters and did not ask to see 8(e) training records. The plant was not able to respond to the 8(d) and 8(e)

requests because the pertinent files are kept at the corporate offices in Houston.

17. By letter dated May 15, 1984, the Interagency Testing Committee, established under TSCA § 4(e) to make recommendations to the EPA on chemicals that should be given priority for test rules under TSCA, requested information on 2-chloro-1, 3-butadiene. The request does not require a response but it does indicate interest in this chemical, manufactured at the Lake Charles VCM Plant. That interest may or may not lead eventually to a test rule being promulgated by EPA. If a test rule were promulgated, however, it would mean that a financial contribution to the testing would be required.

18. The Dallas office of EPA has returned to the Louisiana DEQ the LAB plant's PSD permit modification (which would permit the LAB plant to burn fuel oil in certain pieces of equipment). EPA asked that the DEQ change the name of the permit's cover sheet from Conoco to Vista. EPA's action is based on Conoco's notice that transfer of the LAB plant would occur on or about May 31, 1984. The DEQ has forwarded a draft to the LAB plant showing the name change.

The plant is presently operating on natural gas firing for those pieces of equipment covered by the permit modification. The fuel oil modification is a contingency measure, to be used only in case of natural gas shortages or curtailments.

19. In correspondence dated June 1, 1984, EPA notified the Plant Manager of the Oklahoma City PVC Plant effective June 2, 1984 of its "final permit decision" regarding NPDES Permit No. OK0001031. The permit holder has 30 days from June 2 to request an evidentiary hearing. Unless suspended in whole or in part by the grant of a request for evidentiary hearing, the permit becomes effective July 2, 1984.

20. On June 6, 1984, EPA issued Administrative Order No. VI-84-098 to Conoco Chemicals Company requiring immediate steps be taken to prevent recurrence and submission of a report and comprehensive prevention plan regarding alleged violations of NPDES Permit No. LA0003476. The response is due July 6, 1984.

21. Browning-Ferris Industries, Inc. ("BFI") has alleged variously in correspondence and in Cause No. 83-4339 in the

Civil District Court for the Parish of Orleans Louisiana (Division "D") that hazardous or toxic wastes were taken by BFI from the Westlake VCM Plant and deposited or burned at various locations in West Louisiana, principally disposal sites owned by Olin Corp. near Ellender Ferry, Louisiana; by BFI near Carlyss, Louisiana; and possibly BFI's Willow Springs, Louisiana site. Similar material may also have been injected in a deep well operated by Sonics International near Ranger, Texas and taken for incineration at PPG's Westlake Plant Complex.

BFI's suit against Conoco seeks $7 million under a contract between Conoco and Nelson Industrial Services that commenced in 1968. Olin Corporation has also stated its position that waste generators are responsible for cleanup of its land.

The State of Louisiana is understood to be considering sending Conoco correspondence regarding some or all of these sites, and EPA has reportedly reviewed data regarding some or all of these sites in its CERCLA (Superfund) program.

The Legislature of the State of Louisiana is considering bills which would purport to make toxic and hazardous waste generators liable in solido for waste site cleanup.

22. On June 1, 1984, Conoco's Motion for Stay and for Summary Judgment was granted in the U.S. v. Conoco case pertaining to the Lake Charles VCM plant. The victory on Summary Judgment exonerates Conoco's position as to the two exhaust gas discharge allegations. The Stay affects the Government's allegations regarding relief valve discharges and reporting obligations; the Stay is effective until the U.S. Court of Appeals for the Fifth Circuit rules in United States v. Ethyl. The Ethyl case has been fully briefed by both sides but oral argument has not been set.

Also, in May of 1984, Conoco's Aberdeen Chemical Plant received an information request from EPA concerning past releases of vinyl chloride from the Plant. This information request could require substantial effort in preparing a reply.

23. Both Federal and State Hazardous Waste regulatory programs require the submission of documents establishing financial responsibility for hazardous waste facilities. Federal financial responsibility documents were filed for the

LCCC with both EPA, Region VI, and the State of Louisiana, in compliance with the RCRA regulations. The federal filing referenced only federal regulations in the documents, and thus the filing with the state did not reference the parallel state regulations. A revised state filing is being prepared for prompt filing.

24. Westlake Terminal Transport Fuel Tank

The Westlake Transportation Terminal has utilized a 5000 gallon fuel tank for fueling transport vehicles. M. G. Hayes, Lake Charles Chemical Plant, has asserted that, if used, the transport fuel tank requires a dike and a Spill Prevention Control and Countermeasure ("SPCC") plan, and could be included within the LCCP SPCC plan.

The SPCC regulations apply generally to owners and operators of non-transportation related onshore and offshore facilities engaged in storing oil and oil products, and which, due to their location, could reasonably be expected to discharge oil in harmful quantities into or upon the navigable waters of the United States or adjoining shorelines. 40 CFR § 112.1(b). "Oil" is defined broadly in the regulations to include petroleum in any form. 40 CFR § 112.2(a). Among the facilities excluded from regulation under the SPCC program are "transportation-related" onshore facilities. 40 CFR § 112.1(d)(ii). The terms "transportation-related" are defined, for purposes of the SPCC regulations, in a Memorandum of Understanding between the Secretary of Transportation and the Administrator of the Environmental Protection Agency dated November 24, 1971 (the "MOU"). 36 FR24080.

The MOU is ambiguous concerning which facilities are "transportation-related" as opposed to "non-transportation-related". Whether a transport fuel tank is a transportation-related facility has been hotly debated and remains unclear under the MOU. (e.g. compare 40 CFR Part 112, Appendix, Section II (1)(F) and Section II (2)(D). Applying the more conservative interpretation, the transport fuel tank at the Westlake Terminal would be considered to fall within the requirements of the SPCC regulations. Conoco does not concede, however, that these regulations do in fact apply to this tank.

The SPCC regulations would impose two general requirements upon the use of the Westlake transport fuel tank. First, the

tank would be required to be included within an SPCC plan (such as the existing LCCP SPCC plan). 40 CFR § 112.3(a).

Second, the tank would be required to have a dike, berm or retaining wall sufficiently impervious to contain spilled oil. 40 CFR § 112.7(c)(1)(i).

25. Westlake Terminal Wastewater Discharges

The Westlake Terminal has three general sources of potential wastewater discharges; namely, truck washing operations, repair shop operations, and a sewage treatment system. [The repair shop operations do not presently discharge wastewater.]

At least two options exist which would allow the continued operation of the above described facilities without necessitating conveying the discharges to the LCCP wastewater system.

One option would involve obtaining federal and state authorization for the wastewater discharges from the terminal. Under federal law (Clean Water Act) the terminal may wait to apply for NPDES discharge authorization until EPA, Region VI, publishes in final form its General Permit for Petroleum Storage and Transfer ("PS&T") Facilities. A facility electing to be covered by the General Permit will have six months after final publication within which to make application. EPA is currently reviewing the PS&T General Permit and publication should be forthcoming in the near future. In the interim period, reasonable protection from federal enforcement action for discharging without a permit is afforded by the Settlement Agreement relating to the EPA generic NPDES permit regulations litigation.

State industrial waste discharge regulations would appear to require a discharge permit for any discharges at the terminal from the above discussed operations. La. R.S. § 30:1096A. Thus, if operated in a manner which results in a discharge of pollutants to the waters of the State, the terminal facilities appear to require a Louisiana industrial waste discharge permit.

A second option for handling discharges which would not involve conveyance to the LCCP wastewater system or a state discharge permit would be to convey the discharges to the

9,000 gallon asphalt-coated underground steel tank at the terminal for storage. Exercising this option would not necessitate obtaining either federal or state discharge permits, but would require compliance with the Louisiana Solid Waste Disposal program which is discussed in item 26 below.

26. Westlake Underground Storage Tank

A 9,000 gallon asphalt-coated underground steel tank is located at the terminal and has been used in the past to store wastewater.

Use of the terminal underground storage tank to hold wastewater prior to proper disposal would be subject to compliance with the Louisiana Solid Waste Regulations ("LSWR") since the definition of solid waste would include wastewater not discharged from a point source pursuant to an NPDES or State Discharge Permit. LSWR § 3.0. If the underground tank were to be used as a solid waste (i.e., wastewater) storage tank, two options exist to comply with the Louisiana Solid Waste program. First, pursuant to LSWR § 6.31(b)(2), the underground tank could submit Part I of the Louisiana Solid Waste permit application to notify the state of the activity. Second, the facility could apply under Section 4.2 of the LSWR for an exemption from the Solid Waste notification requirement. It is anticipated that a solid waste application will be filed for this tank prior to the Closing Date.

27. Prairie Transport Fuel Tank

The Prairie Transportation Terminal has utilized a 10,000 gallon fuel tank for fueling transport vehicles.

As to the SPCC general requirement, the analysis related to the Westlake SPCC plan requirement in item 24 also applies to the Prairie facility. The Prairie fuel tank facility presently does have an earthen dike around it, and Conoco, has directed that the earthen dike be inspected and improved, if necessary, to ensure compliance with the SPCC diking requirements.

28. Prairie Wastewater Discharges

The Prairie terminal has three general sources of potential wastewater discharges; namely truck and hopper washing operations and fuel pumping operations. The repair shop operations no longer discharge any used oils through a point source. The used oils generated by the repair shop now are filtered and re-cycled into the fuel transport tank. No other oils (i.e., transmission fluids and radiator fluids) are generated at the terminal.

The truck washing operations do discharge wastewater through a point source discharge.

Mississippi was delegated NPDES permit authority from EPA on May 1, 1974, and thus has authority to implement the federal wastewater regulatory program in lieu of EPA. It would appear that the Mississippi Pollution Control Regulations ("MPCR") require a discharge permit for the washing operations discharges.

As to the discharge of fuel from the fuel pump, the "Token" brand pump is designed in such a way that approximately one gallon per month of fuel is discharged from the pump. Such a discharge without prior authorization may violate the Mississippi Pollution Control Regulations. Replacement of the pump is the only known way to eliminate the discharge.

29. Prairie Underground Tank

The 750 gallon underground steel tank, used previously for storing used oils from the repair shop operations, is now inactive and has been substantially cleaned-out. The underground tank is estimated to presently contain 10 gallons of used oil. Although use of the tank may be subject to Mississippi Pollution Control or Solid Waste regulation, the used oil filtering and re-cycle operation has eliminated the need for future operation of the underground tank.