

April 28, 2011

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

CLIENT/MATTER NUMBER
025694-0173

John S. Watson
Chairman and Chief Executive Officer
Chevron Corporation
6001 Bollinger Canyon Road
San Ramon, CA 94583

Re: Notice of Intent to Sue Under Section 7002(a)(1)(B) of the
Resource Conservation and Recovery Act, 42 U.S.C.
§6972(a)(1)(B)

Dear Mr. Watson:

Pursuant to Section 7002(a)(1)(B) of the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. §6972(a)(1)(B), Foley & Lardner LLP, on behalf of their client the Roman Catholic Bishop of Oakland, a Corporation Sole (the "Diocese"), hereby notifies you of its intent to sue Chevron for the abatement of an imminent and substantial endangerment to health and the environment in connection with the illegal disposal of hazardous wastes from its service station facility located at 3026 Lakeshore Drive (APN 023-0418-020-00) in Oakland, California (the "Facility").

From the 1950s to 2009, Chevron owned and operated a retail service station at the above-mentioned address. Since 2009, the service station has been closed, but Chevron continues to own the property. Multiple underground storage tanks ("USTs") have been installed and removed over the years, with four petroleum-containing USTs still on site. There have been numerous contamination issues associated with the site, including but not limited to: (i) a 1967 2,000 gallon petroleum "inventory loss," (ii) a 1980 UST leak leading to complaints of gasoline odor on the adjoining property, as well as installation of six recovery wells and removal of contaminated soil; (iii) a 1981 discovery of non-aqueous phase liquid ("NAPL"), (iv) a 1984 discovery of two unknown USTs, along with another soil removal action, (v) a 1985 water sample from the Diocese building was found to contain aromatic compounds typical of gasoline, (vi) a 1993 release of an unknown quantity of product in a "drive-off" incident, and (vii) several additional installations of recovery wells and monitoring wells on and off the Chevron property.

The County of Alameda ("County") has been monitoring soil and groundwater contamination associated with the Chevron site since at least the early 1990s, and recent analytical results show that significant contamination still exists at both the Facility and surrounding properties, including but not limited to properties owned by the Diocese located at 3014 Lakeshore Drive, and may be worsening. In a January 28, 2011 letter from the County, the County requested that Chevron prepare a sensitive receptor survey and vapor intrusion work plan, among other items, noting statistically significant increases in the concentration of TPHd, TPHg, BTEX and MTBE in the

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John S. Watson

April 28, 2011

Page 2

Diocese elevator sump, and noting that other Diocese buildings may have similar vapor intrusion concerns that have yet to be investigated. A copy of the County's letter is attached hereto.

It is clear that the contamination caused by decades of poor management of hazardous materials at the Chevron site has migrated to the Diocese property and beyond, and presents an imminent and substantial endangerment to health and the environment.

Section 7002(a)(1)(B) of RCRA, 42 U.S.C. §6972(a)(1)(B), allows affected citizens to bring suit against:

Against any person, . . . including any past or present generator, past or present transporter, or past or present owner or operator of a treatment, storage, or disposal facility, who has contributed or who is contributing to the past or present handling, storage, treatment, transportation, or disposal of any solid or hazardous waste which may present an imminent and substantial endangerment to health or the environment.

Pursuant to 42 U.S.C. §6972 of RCRA, the Diocese intends to sue Chevron for disposing of solid waste in a manner that presents an imminent and substantial endangerment to health or the environment. 42 U.S.C. §6972(a)(1)(B). "Disposal" under RCRA is defined to include the "discharge, deposit, injection, dumping, spilling, leaking, or placement of any solid waste . . . into or on any land." 42 U.S.C. §6903(3). Courts have noted that the "broader statutory definition of solid waste applies to citizen suits brought to abate imminent hazard to health or the environment" as opposed to the more narrow regulatory definition of disposal. *Connecticut Coastal Fisherman's Ass'n v. Remington Arms, Co.*, 989 F.2d. 1305, 1315 (2d Cir. 1993).

Hazardous waste disposed of at the Chevron site and migrating onto its property presents an imminent and substantial endangerment to health and the environment. After decades of neglect, Chevron has failed to fulfill its obligation to take the actions necessary to abate this ongoing and substantial endangerment. The Diocese has made numerous attempts to contact Chevron to discuss potential strategies for Chevron to address this ongoing problem, to no avail. Therefore, the Diocese is left with no alternative but to file a complaint shortly after the expiration of the 90-day notice period stipulated by 42 U.S.C. §6972(b)(2)(A) for all RCRA violations created by the disposal of hazardous waste at the Chevron site.

In addition to the above-noted RCRA claim, we believe Chevron's actions (and failure to act) form the basis for a number of other claims, which the Diocese intends to pursue. Therefore, we intend to join the following causes of action (among others) to the federal complaint to be filed at the end of the 90-day period: violation of the California Health & Safety Code section 25249.6 ("Proposition 65") for environmental exposures to Proposition 65 listed chemicals without provision of an adequate warning; negligence per se; nuisance; and trespass.



FOLEY & LARDNER LLP

John S. Watson
April 28, 2011
Page 3

During the 90-day notice period, we will be willing to discuss effective remedies for the violations noted in this letter. If you wish to pursue a settlement, we suggest that you initiate those discussions within ten (10) days of receiving this notice so that a meeting can be arranged and negotiations may be completed before the end of the 90-day notice period. Please do not hesitate to contact the undersigned at 619-685-4634 if you wish to further discuss these matters.

Very truly yours,



Michael Delehunt

MED:mm
cc: S. Wayne Rosenbaum



FOLEY & LARDNER LLP

John S. Watson
April 28, 2011
Page 4

cc: Eric H. Holder, Jr., Attorney General
United States Department of Justice
950 Pennsylvania Ave, NW
Washington, DC 20530

Lisa P. Jackson, Administrator
United States Environmental Protection Agency
1200 Pennsylvania Ave, NW
Washington, DC 20460

Jared Blumenfeld, Regional Administrator
Region IX
United States Environmental Protection Agency
75 Hawthorne Street
San Francisco, CA 94105

Kamala D. Harris, Attorney General
California Department of Justice
P.O. Box 944255
Sacramento, CA 94244

Linda S. Adams, Acting Secretary for Environmental Protection
California Environmental Protection Agency
1001 I Street
P.O. Box 2815
Sacramento, CA 95812

Leonard E. Robinson, Acting Director
Department of Toxic Substances Control
1001 I Street
P.O. Box 806
Sacramento, CA 95812

Bruce H. Wolfe, Executive Officer
San Francisco Bay Regional Water Quality Control Board
1515 Clay Street, Suite 1400
Oakland, CA 94612

Susan Muranishi, County Administrator
County of Alameda
1221 Oak Street, Room 555
Oakland, CA 94612



FOLEY & LARDNER LLP

John S. Watson
April 28, 2011
Page 5

Agency Director
Alameda County Environmental Health
1131 Harbor Bay Parkway
Alameda, CA 94502

Nancy O'Malley, Attorney General
Office of the Alameda County Attorney General
1225 Fallon Street, Suite 900
Oakland, CA 94612

Jean Quan, Mayor
City of Oakland
1 Frank H. Ogawa Plaza
Oakland, CA 94612

John Russo, City Attorney
Oakland City Attorney
1 Frank H. Ogawa Plaza
Oakland, CA 94612

The Prentice-Hall Corporation System, Inc.
2730 Gateway Oaks Drive, Suite 100
Sacramento, CA 95833

Arthur Todd Littleworth
Chevron USA Inc.
6001 Bollinger Canyon Road
San Ramon, CA 94583