

## SETTLEMENT AGREEMENT

WHEREAS, Plaintiff Concerned Citizens Around Murphy filed, pursuant to section 505(b)(2) of the Clean Air Act, 42 U.S.C. § 7661d(b)(2), a petition on December 10, 2009 with Defendant, Lisa Jackson, Administrator of the U.S. Environmental Protection Agency (“EPA”), requesting that EPA object to Title V Operating Permit No. 2500-00001-V5 issued by the Louisiana Department of Environmental Quality to Murphy Oil USA for the Meraux Refinery in St. Bernard Parish, Louisiana (“Meraux Petition”);

WHEREAS, Plaintiff filed a complaint styled as *Concerned Citizens Around Murphy v. Jackson*, No. 10-cv-04444 (E.D. La.) (“Complaint”), on December 1, 2010, pursuant to section 304(a)(2) of the Clean Air Act, 42 U.S.C. § 7604(a)(2), alleging that EPA has a nondiscretionary duty under section 505(b)(2) of the Clean Air Act to respond to the Meraux Petition within 60 days of the filing of the Petition and further alleging that EPA has not responded to the Petition;

WHEREAS, EPA does not admit any allegation of fact or law alleged in Plaintiff’s Complaint with the exception of any admissions contained in EPA’s Answer filed in this matter;

WHEREAS, EPA and Plaintiff (collectively, the “Parties”) wish to implement this Settlement Agreement (“Agreement”) to avoid protracted and costly litigation and to preserve judicial resources;

NOW, THEREFORE, the Parties, intending to be bound by this Agreement, hereby stipulate and agree as follows:

1. Within 10 days after this Agreement is executed by the Parties (*i.e.*, signed), but before finalization pursuant to Paragraph 5 of this Agreement, the Parties shall file a joint motion with the Court notifying it of this Agreement and requesting that this case be stayed pending completion of, and subject to, the terms of this Agreement.

2. EPA shall sign no later than September 22, 2011, a response to the Meraux Petition pursuant to Section 505(b)(2) of the Clean Air Act. Once EPA signs a response to the Meraux Petition, EPA shall expeditiously provide written notice to Plaintiff through its undersigned counsel.

3. If the Agreement becomes final pursuant to Paragraph 5, Plaintiff shall file a motion for voluntary dismissal of the Complaint under Rule 41(a)(1) of the Federal Rules of Civil Procedure, with prejudice, within 15 days of the date when EPA provides written notice pursuant to Paragraph 2.

4. If EPA fails to take action as set forth in Paragraph 2, Plaintiff's sole remedy under this Agreement shall be the right to ask the Court to lift the stay of proceedings and establish a schedule for further proceedings. EPA does not waive or limit any defense relating to such litigation. The Parties agree that contempt of court is not an available remedy under this Agreement.

5. The Parties agree and acknowledge that before this Agreement is final, EPA must provide notice in the Federal Register and an opportunity for public comment pursuant to Clean Air Act section 113(g), 42 U.S.C. § 7413(g). EPA shall expeditiously submit such notice of this Agreement to the Federal Register for publication and public comment after the Agreement is executed by the Parties (*i.e.*, signed). After this Agreement has undergone an opportunity for notice and comment, the Administrator or the Attorney General, as appropriate, shall promptly consider any such written comments in determining whether to withdraw or withhold her or his consent to the Agreement, in accordance with section 113(g) of the Clean Air Act. Once the Administrator or the Attorney General elects whether or not to withdraw or withhold her or his consent to this Agreement, EPA shall expeditiously provide written notice to Plaintiff through its

undersigned counsel. This Agreement shall become final on the date, if any, that EPA provides written notice to Plaintiff that the Administrator and Attorney General consent to this Agreement. If EPA does not provide such written notice within 60 days after the notice of the Agreement is published in the Federal Register, Plaintiff's sole remedy with respect to the Meraux Petition shall be the right to ask the Court to lift the stay of this proceeding and establish a schedule for further proceedings. EPA does not waive or limit any defense relating to such litigation. The Parties agree that contempt of court is not an available remedy under this Agreement.

6. This Agreement may be modified by written stipulation signed by the Parties.

7. Nothing in this Agreement shall be construed to limit or modify the discretion accorded EPA by the Clean Air Act or by general principles of administrative law, including discretion to alter, amend, or revise any responses or final actions contemplated by this Decree. EPA's obligation to perform the actions specified in Paragraphs 2 and 8 by the time specified therein does not constitute a limitation or modification of EPA's discretion within the meaning of this paragraph.

8. If the Agreement becomes final under Paragraph 5 and EPA undertakes the actions set forth in Paragraph 2, the United States, on behalf of EPA, shall pay the sum of three thousand dollars (\$3,000.00) to Tulane Environmental Law Clinic, as counsel for Plaintiff, in full and complete settlement of all claims for attorneys' fees and costs under any provision of law that Plaintiff asserted or could have asserted in connection with this litigation. The Parties agree that the amount provided herein constitutes a fair, reasonable, and full and complete settlement of Plaintiffs' claims for attorneys' fees and costs in this matter. The payment from the United

States shall be made as soon as reasonably practicable after dismissal of this case as set forth in Paragraph 3 by electronic wire transfer in accordance with instructions provided by Plaintiffs.

9. Except as set forth in this Agreement, the Parties retain all rights, claims, defenses, and discretion they may otherwise have. Nothing in this Agreement shall be construed as an admission of any issue of fact or law nor to waive or limit any claim or defense, on any grounds, related to any final action EPA may take with respect to the Meraux Petition.

10. The commitments of EPA in this Agreement are subject to the availability of appropriated funds. No provision of this Agreement shall be interpreted as or constitute a commitment or requirement that EPA obligate or pay funds in contravention of the Anti-Deficiency Act, 31 U.S.C. § 1341. In the event that sufficient appropriated funding is not available, Plaintiff's sole remedy is set forth in Paragraphs 4 and 5.

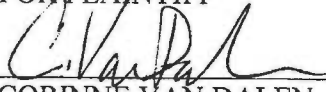
11. This Agreement is the entire agreement between Plaintiff and EPA in this case. All prior conversations, meetings, discussions, drafts, and writings of any kind are specifically superseded by this Agreement.

12. It is understood and agreed that this Agreement was jointly drafted by Plaintiff and EPA. Accordingly, the Parties hereby agree that all rules of construction to the effect that ambiguity is construed against the drafting party shall be inapplicable in any dispute concerning the terms, meaning, or interpretation of this Agreement.

13. The undersigned representatives of each Party certify that they are fully authorized by the Party that they represent to bind that Party to the terms of this Agreement.

SO AGREED:

FOR PLAINTIFF



CORINNE VAN DALEN

Tulane Environmental Law Clinic

6329 Freret St.

New Orleans, LA 70118

Tel: (504) 862-8818

Fax: (504) 862-8721

cvandale@tulane.edu

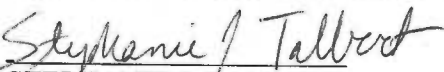
DATED: 6/9/11

FOR DEFENDANT

IGNACIA S. MORENO

Assistant Attorney General

Env. & Natural Resources Division



STEPHANIE J. TALBERT

Environmental Defense Section

Environment & Natural Resources Division

United States Department of Justice

P.O. Box 23986

Washington, D.C. 20026-3986

Phone (202) 514-2617

Fax (202) 514-8865

Stephanie.talbert@usdoj.gov

DATED: 7/6/11