

September 9, 2020

VIA HAND DELIVERY

Richard P. Ieyoub, Esq.
Commissioner of Conservation
Louisiana Office of Conservation
617 N. 3rd Street
LaSalle Building
Baton Rouge, Louisiana 70802

Re: *Hero Lands Company, et. al. v. Chevron U.S.A. Inc., et al.*
25th Judicial District Court, Plaquemines Parish, Louisiana
Docket Number: 64-320, Division "A"
KM File No: 16457-369

Dear Commissioner Ieyoub:

By correspondence dated September 8, 2020, Chevron mailed electronic and paper copies of reports in support of its most feasible plan. The expert report of Helen Connelly, PhD and John Rodgers, PhD, was included as an electronic copy, but the paper version was inadvertently omitted from the mailing package. Please see enclosed paper copy of the referenced report.

Please, let us know if you have any questions.

Very truly yours,



Claire E. Juneau

ENCLOSURES

September 8, 2020

VIA E-MAIL AND CERTIFIED MAIL

Richard P. Ieyoub, Esq.
Commissioner of Conservation
Louisiana Office of Conservation
617 N. 3rd Street
LaSalle Building
Baton Rouge, Louisiana 70802

Re: *Hero Lands Company, et. al. v. Chevron U.S.A. Inc., et al.*
25th Judicial District Court, Plaquemines Parish, Louisiana
Docket Number: 64-320, Division "A"
KM File No: 16457-369

Dear Commissioner Ieyoub:

On July 29, 2020, Chevron U.S.A. Inc. ("Chevron") entered a limited admission pursuant to Louisiana Revised Statute § 30:29 in the above captioned litigation. The Trial Court signed an order referring the matter to the Louisiana Department of Natural Resources for development of the most feasible plan as defined by La. R.S. 30:29. Chevron's limited admission and relevant orders are enclosed.

Pursuant to the Trial Court's order, as amended, Chevron submits both paper and electronic copies of Chevron's proposed "Most Feasible Plan" as defined by La. R.S. 30:29.

Please, let us know if you have any questions.

Very truly yours,



Claire E. Juneau

ENCLOSURES

CC: all counsel of record

25TH JUDICIAL DISTRICT COURT FOR THE PARISH OF PLAQUEMINES

STATE OF LOUISIANA

DOCKET NO. 64-320

DIVISION "A"

HERO LANDS COMPANY, L.L.C.

VERSUS

CHEVRON U.S.A. INC., ET AL.

FILED: _____

DEPUTY CLERK

CHEVRON U.S.A. INC.'S LIMITED ADMISSION PURSUANT TO LA. R.S 30:29

Chevron U.S.A. Inc. ("Chevron") makes the following limited admission pursuant to Louisiana Revised Statute §30:29 ("Act 312"):

1. Chevron's predecessor entered into three mineral leases and a surface lease in 1939 and 1942 with Plaintiff's predecessors to conduct oil and gas operations on portions of Plaintiff's property in the Stella Field in Belle Chase, Louisiana.

2. Chevron's predecessors conducted oil and gas exploration and development operations on portions of Plaintiff's property from 1940 until 1971, when Chevron sold its operating interests in the Stella Field and the remaining leases covering Plaintiff's property.

3. Chevron did not operate on Plaintiff's property after 1971. Other companies have conducted oil and gas operations on Plaintiff's property from 1971 to the present.

4. Plaintiff filed this lawsuit claiming that Chevron's operations caused "environmental damage" on its property. Plaintiff admits that this suit is governed by Act 312. *See* Pet. at ¶ 57.

5. Act 312 defines "environmental damage" as "any actual or potential impact, damage, or injury to environmental media caused by contamination resulting from activities associated with oilfield sites or exploration and production sites." La. R.S. §30:29 (I)(2).

6. The Louisiana Legislature enacted Act 312 "to ensure that damage to the environment is remediated to a standard that protects the public interest" and to provide "the procedure for judicial resolution of claims for environmental damage[.]" La. R.S. §30.29(A).

7. When a plaintiff alleges "environmental damage" in a lawsuit, a defendant may make a limited admission under Act 312 for the environmental damage and thus take "responsibility for

implementing the most feasible plan to evaluate, and if necessary, remediate all or a portion of the contamination” to applicable regulatory standards. La. Code Civ. Proc. Ann. art 1563(A).

8. When a defendant makes a limited admission, the Louisiana Department of Natural Resources (“LDNR”) must hold a public hearing to determine the “most feasible plan” to evaluate or remediate the environmental damage under applicable regulatory standards. La. Code Civ. Proc. Ann. art 1563(A)(2).

9. A defendant who makes a limited admission must perform the remediation required by the most feasible plan, and all money paid by a defendant goes into escrow of the court to be used only for remediation of the land under the most feasible plan. *See* La. R.S. 30:29(C)(5).

10. A limited admission *shall not* be construed as Chevron’s admission of liability for any of plaintiff’s private claims, including, without limitation, that Chevron’s predecessors’ historical operations were negligent or breached any relevant contract or leases with the Plaintiff. La. Code Civ. Proc. Art 1563(A)(1).¹ Chevron affirmatively states that its historical operations were reasonable, prudent, and consistent with its lease terms and industry practice. Chevron affirmatively states it had no control over the operations of any of the other operators on the property, including the lessees who succeeded Chevron.

11. Chevron wishes to ensure that any money is used to address “environmental damage” at Plaintiff’s property and believes that the relevant state agencies are in the best position to develop and evaluate a plan to remediate that environmental damage to standards that protects the health, safety and welfare of the public.

12. Chevron admits that “environmental damage” as defined by Act 312 exists in portions of the soil and groundwater on Plaintiff’s property within the individual tracts identified on the attached map (Exhibit A).

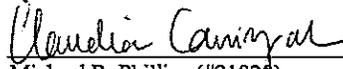
13. Chevron admits that it is a “responsible party” under Act 312 to evaluate and if necessary, remediate to applicable regulatory standards any environmental damage on Plaintiff’s property identified on Exhibit A which was caused by Chevron’s operations. However, Chevron is not a “responsible party” under Act 312 for any environmental damage on Plaintiff’s property

¹ For example, Chevron has filed a peremptory exception of prescription presenting clear evidence Plaintiff’s claims are prescribed in this matter. By filing this admission, Chevron in no way waives this defense or any other which may be proven at trial. Chevron asserts all of Plaintiff’s private claims should be dismissed as a matter of law.

identified on Exhibit A where the environmental damage was caused by current operators on the property, including, but not limited to, McGowan Working Partners or its affiliates.

14. Due to limitations placed by the U.S. Corps of Engineers on Chevron's coastal use permit, Chevron has been unable to complete its environmental sampling on the Property. Act 312 provides that the deadline for a limited admission is sixty days from the date environmental sampling on the property is complete. In the event additional data provides new information, Chevron reserves the right to amend, alter, or change the scope of this limited admission of responsibility.

Respectfully submitted,



Michael R. Phillips (#21020)

Claire E. Juneau (#33209)

Claudia Carrizales (#37628)

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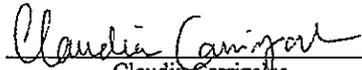
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Attorneys for Chevron U.S.A. Inc.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the above and foregoing has been served upon all known counsel of record by electronic mail and/or placing a copy in the United States mail, postage prepaid and properly addressed.

New Orleans, Louisiana, this 29th day of July, 2020.



Claudia Carrizales

25TH JUDICIAL DISTRICT COURT FOR THE PARISH OF PLAQUEMINES

STATE OF LOUISIANA

DOCKET NO. 64-320

DIVISION "A"

HERO LANDS COMPANY, L.L.C.

VERSUS

CHEVRON U.S.A. INC., ET AL.

FILED: _____

FILED
 JUL 31 2020

 DEPUTY CLERK BY CLERK

ORDER

Considering Chevron U.S.A. Inc.'s ("Chevron") Limited Admission Pursuant to La. R.S. 30:29 and Chevron's Motion for Referral to the Louisiana Department of Natural Resources for the Development of the Most Feasible Plant Pursuant to La. R.S. 30:29

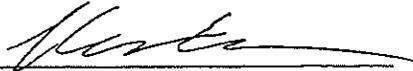
IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

- (1) Pursuant to Louisiana Code of Civil Procedure article 1563, Chevron enters a limited admission of responsibility for the environmental damage, as defined in La. R.S. 30:29(1)(1), which exists on property identified on "Exhibit A" attached hereto in Plaquemines Parish, Louisiana.
- (2) Chevron's limited admission is limited to the "responsibility for implementing the most feasible plan to evaluate, and if necessary, remediate all or a portion of the contamination that is subject to the litigation to applicable regulatory standards" on the property identified on Exhibit A.
- (3) Chevron's limited admission is not an admission of private liability for any of Plaintiff's private claims and is not to be construed as a waiver of any affirmative defenses.
- (4) Chevron shall develop a plan for the evaluation or remediation of "environmental damage" as provided in La. R.S. 30:29(C) to applicable standards of the contamination that resulted in environmental damage to the above described property;
- (5) Chevron's plan, as described above, shall be developed and submitted to the Louisiana Department of Natural Resources by certified mail with return receipt requested and Chevron shall file such plan with the Court on August 24, 2020;
- (6) Plaintiff or any other party shall have thirty (30) days from the date Chevron's plan is

filed with the Court to review the plan and submit or provide to the Louisiana Department of Natural Resources and the Court comments, input, and/or its own plan in response to Chevron's Plan;

- (7) The Louisiana Department of Natural Resources shall submit to the Court a schedule of estimate costs for review of the plans or submittals of the parties;
- (8) Any further proceedings with respect to the plan submitted by Chevron, the Louisiana Department of Natural Resources, Plaintiff, or any other party, shall be conducted pursuant to the procedures set forth in La. R.S. 30:29

THUS DONE AND SIGNED, this 31st day of July, 2020,
at Monroe, Louisiana.



JUDGE, 25th JUDICIAL DISTRICT COURT

25TH JUDICIAL DISTRICT COURT FOR THE PARISH OF PLAQUEMINES

STATE OF LOUISIANA

DOCKET NO. 64-320

DIVISION "A"

HERO LANDS COMPANY, L.L.C.

FILED

VERSUS

CHEVRON U.S.A. INC., ET AL.

AUG 19 2020

Angela Johnson
DEPUTY CLERK

FILED: _____

DEPUTY CLERK

ORDER

Considering the foregoing Joint Motion to Amend Paragraph 5 of the Order Referring Chevron's Limited Admission to LDNR, filed by Defendant Chevron U.S.A. Inc. ("Chevron") and Plaintiff Hero Lands Company, LLC ("Hero"),

IT IS HEREBY ORDERED that the date set forth in Paragraph 5 of the July 31, 2020 Limited Admission Order, requiring Chevron to submit its plan for evaluation or remediation to LDNR and the Court per La. R.S. 30:29(C) by August 24, 2020, is hereby amended to September 8, 2020, consistent with the Third Revised Case Management Order entered after the July 31, 2020 hearing in this case.

THUS DONE AND SIGNED on this 19th day of August 2020, in Pointe-a-la-Hache, Louisiana.

Kevin D. Conner

Honorable Kevin D. Conner
District Judge, the 25th Judicial District Court, Div. A