

BARON & BUDD

A PROFESSIONAL CORPORATION
ATTORNEYS AND COUNSELORS
SUITE 1100

3102 OAK LAWN AVENUE
DALLAS, TEXAS 75219-4281
(214) 521-3605
TELECOPIER (214) 520-1181

January 13, 2004

FREDERICK M. BARON
RUSSELL W. BUDD
BRENT M. ROSENTHAL
LISA A. BLUE, Ph.D.
MARY E. SKELNIK
STEVEN D. WOLENS
MELISSA K. HUTTS
STEVE BAUGHMAN JENSEN
ALLEN M. STEWART
RICHARD I. NEMEROFF
LISA R. KIVETT
LEANNE JACKSON
LAURA BAUGHMAN
LAURIE J. MEGGESIN
LADD R. GIBKE
ALAN B. RICH
ELLEN A. PRESBY
SCOTT SUMMY
MISTY A. FARRIS
KEVIN D. McHARGUE

JAMES D. PIEL
S. ANN SAUCER
LANCE A. POOL
SPECIAL COUNSEL
CARLOS LOPEZ
DIANE M. ANDREW*
SAM T. RICHARD
CHRISTINA E. MANCUSO
SCOTT MORRISON
WESLEY K. YOUNG
STEPHEN C. JOHNSTON
WILLIAM K. TAPSCOTT, JR.
ASHLEY HIGGINS JETER
BEN K. DUBOSE
AMY J. SHAHAN
TAERI IM OH
ANN TUTOKY HARPER
CAREN LOCK HANSON

*LAWRENCE G. GETTYS
ALICIA D. BUTLER
*PATRICK O'NEAL
ANDREA S. BOURNE
VIRGINIA L. ADAMS
JOYCELL M. HOLLINS
MARTY A. MORRIS
LAURA M. CABUTTO
SCOTT R. FRIELING
THOMAS M. SIMS
JOHN J. SPILLANE
NATALIE F. DUNCAN
MONTY WADE SULLIVAN
AMY M. CARTER
FRANK E. GOODRICH
CARLA M. BURKE
SCOTT L. FROST
TIFFANY NEWLIN
JACQUELINE MONTEJANO
JULIANNE J. MAERSCHEL

BRIAN P. MIN
REY FERNANDEZ
EDMOND L. MARTIN
DONNA J. BLEVINS
STEPHANIE N. BROOKS
DAVID T. RITTER
CHRIS J. PANATIER
J. KAMA DAVIS
RENÉE MELANÇON
*THERESA L. NELSON
D. CARL MONEY
CELESTE A. EVANGELISTI
CHAD R. COTTEN
BRIAN K. PEACOCK
BRIE D. SHERWIN
BRIAN M. BOUFFARD
MONICA WALTERS
SHAWN E. RAVER
*LICENSED IN STATES
OTHER THAN TEXAS

NOTICE OF VIOLATION OF PROPOSITION 65, CALIFORNIA HEALTH & SAFETY CODE SECTION 25249.5.

To: Bill Lockyer, Attorney General for the State of California
Grover Trask, Riverside County District Attorney
The Chairman and Chief Executive Officers of Chevron U.S.A. and Chevron Texaco Corporation, their parents, subsidiaries, affiliates, and/or divisions (hereinafter collectively referred to as "Chevron").

RE: **Violations of Proposition 65: Discharge of Listed Chemicals into a Source of Drinking Water in and around CHEVRON'S Operations**

This 60-day Notice alerts you to violations of Proposition 65, the Safe Drinking Water and Toxic Enforcement Act of 1986, California Health & Safety Code Section 25249.5. Members of the noticing party include Communities for a Better Environment ("CBE") and Nicole McAdam, an individual (hereinafter collectively referred to as "noticing party"). CBE is an environmental health and justice 501(c)(3) nonprofit organization. CBE has offices in Huntington Park and Oakland, California. With over 20,000 members statewide, CBE has worked effectively throughout California to prevent and reduce pollution and pledges to cooperate with public prosecutors in this matter to ensure that the violations discussed herein are remedied. CBE and its attorneys have extensive experience in prosecuting violators of Proposition 65.

The noticing party intends to bring suit sixty days hereafter to correct these violations, pursuant to Health & Safety Code Section 25249.7(d). The public prosecutors may also do so within the next sixty (60)-days pursuant to Health & Safety Code Section 25249.7(c).

Chemicals Discharged

The specific violations alleged here are past and ongoing discharges or releases of Benzene, CAS Number 71432 and Toluene, CAS Number 108883. Benzene and Toluene are chemicals

known by the State of California to cause cancer or reproductive toxicity. 22 California Code of Regulations Section 12000. Benzene has been listed as a human carcinogen or reproductive toxin under Proposition 65 since February 27, 1987. Likewise, Toluene has been listed as a human carcinogen or reproductive toxin since January 1, 1991.

Identities of Violators

The persons who in the course of doing business have committed the violations alleged herein are the employees, officers and directors of Chevron (“Violator”). Chevron has been sent a copy of this 60-day Notice through Federal Express mail (as noted) and/or certified mail, return receipt requested to the addresses and persons listed at the end of this letter.

Location of Source of Drinking Water

The violator named herein has knowingly discharged or released each of the chemicals listed above into water or onto or into land where each chemical has passed, currently passes, or will probably pass into a source, or potential source, of drinking water under and around the facilities listed in Attachment 1 attached hereto.

The discharging and/or releasing of chemicals include, but are not limited to, the leaching of chemicals listed herein into water or onto or into land where each chemical has passed, currently passes, or will probably pass into a source, or potential source, of drinking water. These discharges and releases have occurred and are occurring through the leaching of chemicals as a result of direct releases from underground storage tanks, and/or gasoline storage, transfer, delivery, and dispensing systems (hereinafter “USTs” or “gasoline systems”) into and onto soil and subsurface groundwater surrounding the above mentioned Chevron facilities. These releases from the USTs and gasoline systems enter into surrounding groundwater and soil and migrate toward actual and potential sources of drinking water. Listed chemical discharges also occur through storm water run-off from the facilities.

A “source of drinking water” means either a present source of drinking water or water that is identified in a water quality control plan as being suitable for domestic or municipal uses. Health & Safety Code Section 25249.11(d).

The groundwater under and around the facilities has been used for domestic and/or municipal purposes and/or has been designated as a potential source of drinking water. The subsurface groundwater into which the violator has and continues to discharge contaminants are potential sources of drinking water, and/or are tributaries to potential sources of drinking water.

Therefore, the violator here named has discharged or released the chemicals here named into water or onto or into land where such chemicals have passed, are passing, and/or will probably pass into a source of drinking water. The violator named herein has violated, is violating, and currently threatens to violate Health & Safety Code Section 25249.5 within the meaning of Section 25249.5 and Section 25249.11(e).

Approximate Time Period of Violations

The violator has discharged the chemicals listed above in the manner described herein continuously since approximately December 1994. Such violations have been ongoing since that time.

Each and every day during which the violator has discharged or released the chemicals named herein into the groundwater and/or surface water under and around the listed Chevron facilities constitutes a separate violation of Health & Safety Code Section 25249.5, and each chemical released or discharged constitutes a separate violation for each day on which each chemical was released or discharged.

Knowing Discharge of Chemicals

The violator named herein has known of its discharges or releases of the chemicals listed above. Therefore, the violations here described have been knowing on the part of the violator.

Identity of Noticing Party

The name, address, and telephone number of the noticing party is as follows:

Scott R. Summy, Esq.
Laura Baughman, Esq
Renée Melançon, Esq.
Baron & Budd, P.C.
3102 Oak Lawn Avenue, Suite 1100
Dallas, TX 75219
(214) 521-3605 & (800) 222-2766

Other responsible individuals representing CBE and Nicole McAdam are:

Scott Kuhn, Esq.
Communities for a Better Environment
5610 Pacific Boulevard, Suite 203
Huntington Park, CA 90255
(323) 826-9771

Edward L. Masry, Esq.
Nancy Eichler, Esq.
Law Offices of Masry & Vititoe
5707 Corsa Avenue, 2nd Floor
Westlake Village, CA 91362

Notice of Intent to Sue Chevron
for Violations of Proposition 65
Page 4

Walter P. Lack, Esq.
Brian Leinbach, Esq.
Engstrom, Lipscomb & Lack, P.C.
10100 Santa Monica Blvd., 16th Floor
Los Angeles, CA 90067

The noticing party would appreciate receiving prompt notification from you as to whether you will pursue action under Health & Safety Code Section 25249.7(c) so that we may make our decisions under Health & Safety Code Section 25249.7(d). We pledge to cooperate with you in this matter and look forward to hearing from you in the near future. If you have any questions or desire any further information, please contact one of the attorneys listed above at Baron & Budd, P.C., (214) 521-3605 or (800) 222-2766.

With this letter, noticing party gives notice of the alleged violations by your facilities to the Attorney General of California, to the District Attorney for the County of Riverside, and to The Chairman and Chief Executive Officers of Chevron U.S.A., Inc. and ChevronTexaco Corporation, their parents, subsidiaries, affiliates, and/or divisions, via service of their attorneys of record. This notice covers all violations of the Act that are known to Plaintiffs from public records now available to us. When filed, this suit may also address such other violations as may occur or become apparent after service of this notice letter.

Enclosures: Appendix A: *The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65): A Summary.*

Attachment 1: List of sites noticed for violation of Proposition 65

Notice of Intent to Sue Chevron
for Violations of Proposition 65
Page 5

cc: (Via First Class Certified Mail, Return Receipt Requested and First Class Mail as noted)

Bill Lockyer, Esq. (Via First Class Certified Mail, Return Receipt Requested)
California Attorney General
Prop 65 Coordinator
1515 Clay Street
Oakland, CA 94612

Grover Trask (Via First Class Certified Mail, Return Receipt Requested)
Riverside County District Attorney
4075 Main Street
Riverside, CA 92501

Richard C. Coffin, Esq. (Via First Class Certified Mail, Return Receipt Requested)
Barg Coffin Lewis & Trapp, LLP
One Market, Steuart Tower, Suite 2700
San Francisco, California 94105-1475

William K. Dial, Esq. (Via First Class Certified Mail, Return Receipt Requested)
Law Department
6001 Bollinger Canyon Road, T4264
San Ramon, California 94583-2398

Edward L. Masry, Esq. (via First Class Mail)
Nancy Eichler, Esq.
Law Offices of Masry & Vititoe
5707 Corsa Avenue, 2nd Floor
Westlake Village, CA 91362

Walter P. Lack, Esq. (via First Class Mail)
Brian Leinbach, Esq.
Engstrom, Lipscomb & Lack, P.C.
10100 Santa Monica Blvd., 16th Floor
Los Angeles, CA 90067

Scott Kuhn, Esq. (via First Class Mail)
Communities for a Better Environment
5610 Pacific Boulevard, Suite 203
Huntington Park, CA 90255

ATTACHMENT 1

RIVERSIDE COUNTY				
FACILITY #	ADDRESS	CITY	COUNTY	ZIP
207497	48320 SEMINOLE	CABAZON	RIVERSIDE	92230-2136
207494	1140 EAST ONTARIO AVENUE	CORONA	RIVERSIDE	92881-8626
207496	130 W FOOTHILL PKWY	CORONA	RIVERSIDE	92882-8539
91582	2270 FRONTAGE RD	CORONA	RIVERSIDE	92882-2814
99010	309 S MAIN ST	CORONA	RIVERSIDE	92882-2206
90236	4710 GREEN RIVER RD	CORONA	RIVERSIDE	92880-9162
94279	1101 S STATE ST	HEMET	RIVERSIDE	92543-7635
93712	2099 E FLORIDA AVE	HEMET	RIVERSIDE	92544-4730
90201	82003 HWY 111	INDIO	RIVERSIDE	92201
200238	18451 DEXTER AVE	LAKE EL SINORE	RIVERSIDE	92532-1956
90802	31640 MISSION TRL	LAKE EL SINORE	RIVERSIDE	92530
97568	12431 HEACOCK ST	MORENO VALLEY	RIVERSIDE	92553-3001
209519	24625 MADISON AVE.	MURRIETA	RIVERSIDE	92562-9723
203621	1501 6TH ST	NORCC	RIVERSIDE	92860-1300
93830	2740 HAMNER AVE	NORCC	RIVERSIDE	92860-1926
207512	6600 N INDIAN AVE	NORTH PALM SPRINGS	RIVERSIDE	92258
99947	428 S REDLANDS BLVD	PERRIS	RIVERSIDE	92570-2413
207510	36101 BOB HOPE DRIVE	RANCHO MIRAGE	RIVERSIDE	92270-2001
202702	2200 ALESSANDRO BLVD	RIVERSIDE	RIVERSIDE	92508-2307
200734	3390 LA SIERRA AVE	RIVERSIDE	RIVERSIDE	92503-5228
94702	3476 VAN BUREN BLVD	RIVERSIDE	RIVERSIDE	92503-4214
95753	3505 CENTRAL AVE	RIVERSIDE	RIVERSIDE	92506-2702
200374	720 W RAMONA EXPY	SAN JACINTO	RIVERSIDE	92582-2547
92959	26980 MCCALL BOULEVARD	SUN CITY	RIVERSIDE	92586-2228
204029	31669 HWY 79 SOUTH	TEMECULA	RIVERSIDE	92592
201596	40635 WINCHESTER RD	TEMECULA	RIVERSIDE	92591-5505
91475	72276 RAMON RD	THOUSAND PALMS	RIVERSIDE	92276-3420