

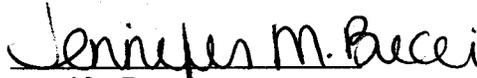


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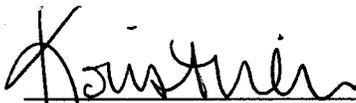
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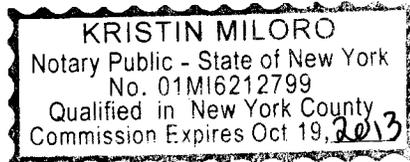
City of New York, State of New York, County of New York

I, Jennifer Bucci, hereby certify that the documents "CRS 187 1-2, CRS 188, CRS 188-1, CRS 188-2, CRS 189, CRS 189-1, CRS 189-2, CRS 189-3, CRS 189-4, CRS 189-5, CRS 190, CRS 190-1, CRS 190-2, CRS 190-3, CRS 190-4" are, to the best of my knowledge and belief, a true and accurate translation from Spanish to English.


Jennifer Bucci

Sworn to before me this
September 7, 2010


Signature, Notary Public



Stamp, Notary Public

Transcript of March 3, 2007 Meeting

-Camera 1-

(Video Files: CRS 187 1-2, CRS 181-1, CRS 188-2, CRS 189, CRS 189-1, CRS 189-2, CRS 189-3, CRS 189-4, CRS-5, CRS 190, CRS 192-1, CRS 192-2, CRS 192-3, CRS 192-4)

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MALE 1: Friends from the United States who come to participate in this job to help us with their ideas, with their experiences, in order to carry on with this fight. It is not simply a legal or technical fight, it is a fight for the life and health of the 30,000 affected people [INDISCERNIBLE]. On their behalf, I would like to welcome you. And everyone else, ladies and gentlemen, we are still waiting for some people. I hope they get here soon and we can be optimistic and make the best of our time together. I think we should, as it is customary here in our country, introduce ourselves by saying our name and what we do, and we can do this quickly. We'll start with –

OLGA LUCIA GOMEZ: My name is Olga Lucia Gomez, I'm a petroleum engineer, I've been with our colleagues here for two years, as Luis says, trying to support the cause from my technical point of view, right? [INDISCERNIBLE] I manage all the sampling documentation, the data obtained from the two sampling tests carried out by Texaco, which is ours and good [sic], and sometimes I go into [INDISCERNIBLE] to better manage the database.

TANIA NARANJO: Good morning, my name is Tania Naranjo, I am a geography and environmental engineer, I joined this group around three weeks ago and, well, I manage the cartographic area and the digital files database for those which are, for cartography issues, the geography of all this. Thanks.

MALE 2: My name is [INDISCERNIBLE] and I am a chemist. I participated in some [INDISCERNIBLE] and now I will try to support the technical part of what [INDISCERNIBLE].

MALE 3: I am [INDISCERNIBLE]

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MALE SPEAKER 3: humble presentation I said yes [indiscernible] and other more.

STEVEN: Very Good

MALE SPEAKER 3: A continuation play that? Listen.

STEVEN: Luis, I can ... or will you follow?

MALE SPEAKER 3: No, I no longer.

STEVEN: Please comment briefly?

MALE SPEAKER 3: Yes.

STEVEN: Ok. Third point. Thank you very much, was great.

MALE SPEAKER 3: Now, he wants...

STEVEN: Man! What you're hustling.

MALE SPEAKER 3: A brief comment!

STEVEN: Short is two hours!

MALE SPEAKER 3: No haha.

STEVEN: One very important thing. We already have a lot of information in our possession now, produced by the inspections. I think that, if we didn't have much [PH] money, we would be able to finish or write this report already based on what we already have in our possession. So it's important, I'd say, it's important for us to place the same emphasis on what we have as on what we're going to get from the additional field work. And this is a difficult challenge, and it's really work that we need to focus on just like with the field work. Second, the other point that I want to make is that I think we need to, as far as the legal parameters, we need to not only talk about the standards and laws of Ecuador but also about the laws of the United States. Why? Because it's a big political argument, in the sense that this company from our country came here and violated the standards that it was meeting in its own country. And this is important legally. Why? Because this is a civil lawsuit, and they have a legal responsibility to not cause harm to people. Regardless of any law that's written. This is a legal responsibility that exists there and exists here. And the fact of the matter is that they are [INAUDIBLE] with laws there means that they were aware that what they were doing here was wrong. Two other small points. As far as the remediation process that Texaco did, it is important, I think, to deal with this in a special way, because there is an official claim by the Ecuadorean government right now that what Texaco did was a fraud. In other words, not only was it poorly done, ok...it was poorly done. But it was really a

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crime, a criminal act. So what I would say is, as far as this category of work, we should think a little bit about putting emphasis on this. It wasn't just a matter of work that was done in the wrong way, rather, it was also a crime. And finally, much of the work which Pablo talked about with human and biotic impact, that is to say, things that are a little bit beyond what [INAUDIBLE] we say. We have to discuss that. One concern of mine, as we all shared, is the short amount of time that we are going to have to finish this work. This is something free, because we have to finish the case, but it's also a difficult challenge. And a part of the debate that I'd like to see take place today is for us to think about what kinds of people who aren't here right now in this meeting we are going to need to do this other type of work. For example, the human impact can be measured and studied for years and years and years. And how are we going to do something in three months? Is this feasible? How? What method? This is clear, that we decided and understood this in the beginning. Very, very clearly. And if we don't understand the plan from the very beginning, very, very clearly, I don't think we're going to meet the challenge in three or four months, because we'll be beginning without things being clear.

[05:00]

And everyone is going to be separate. Some Americans over there, you all over here and we're going to be working together [may be typo by transcriber—judging by context, it would have been more appropriate to say "...y no vamos a estar conjunto...", translated "and we won't be working together"] and this could, I don't know what the word is, but, harm the work a little bit. So the most important thing today and in the upcoming days is for us to define, with complete clarity, what we are going to do and who we need the most. I'm not talking about specific names, but about what kind of people.

ANN But it's easy to compare the [PH] concentrations in water and soil which are standard for human protection, [INAUDIBLE]. Is it easier for a large study of if there is harm to humans or not?

STEVEN: You're saying only for the chemical results...

ANN: Yes.

STEVEN: Can human harm be proven and quantified as well?

ANN: No. You can compare to standards and see if the concentrations measured are higher than the standards. And the standards are for protection of the human health and for protection of [INAUDIBLE] streams. And we have standards in the United States for all of those. But that makes it very important to understand the extent of contamination. If we only have information on piscinas I don't think we can use those standards in the pits themselves. But if we have farther away in water, in sediments and people are using the water and there are [PH] aquatic biota in the streams, then we can use those standards. And in Ecuador there are different standards for those than in the pits.

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MALE SPEAKER 2: Directly related to this...maybe this is obvious. This is a principle [or “beginning”] of impacts in a manner of danger, not risks. For example, they are not studying [INAUDIBLE] dead, from cancer or something else. And this is the basis for the regulations in the United States and [INAUDIBLE].

MALE SPEAKER 3: We can do a study of that nature which might consist of more than doing a field test of how many people have died and how many have hydrocarbons in their blood, for example, test [INAUDIBLE] that there is already a lot of research regarding this and just what’s done hydrocarbons exist, this contrasts with the scientific documents which there are already, that research has been done, and the matter can calmly be generalized, that people are indeed at risk and are indeed suffering from this problem.

MALE SPEAKER 2: One example I have, and we don’t use very primitive estimates, a draft of emissions of...free burning of gas...ground level... [INAUDIBLE]. If there are 23 or 24 cases, we estimate a daily average of 200 or more tons of sulfur dioxide. And we can include it in one or two pages, as appendices. This has an obvious impact.

[10:00]

MALE SPEAKER 3: I’d suggest one thing...maybe we could continue with what Lucia is expressing right now, and later with the other matter presented, and then we’ll open it up to debate to sort it out.

[Joking among them 10:12 – 10:28]

LUCIA: I’m not taking much time, because they’re nothing more than the results.

MALE SPEAKER: What?

LUCIA: I’m not taking much time, because they’re nothing more than the results. Plus, I’m a horrible presenter. I’m an engineer.

STEVEN: How many minutes do you think you’re going to need?

LUCIA: Ten minutes. Currently, we have inspected and presented in the court of public knowledge 42 sites with their corresponding 42 reports from each one of the parties – Texaco and plaintiffs. This is the summary of the results. This is soil, water and this is the total. Texaco has taken, as of the 42 inspections, 837 soil samples and 314 water samples. They have presented...here this is 100%. Sorry, I messed up, because this is the total that I wanted to [INAUDIBLE]. It follows, what’s in the next one. Total samples taken at 42 inspected sites. 751 by Texaco. 449 by the plaintiffs, for a total of 1,600 samples taken as of the 42 inspections. The total contaminated samples found by Texaco are 681 between water and soil. And the total contaminated samples found by the plaintiffs is 396. You can see that the percentage of contaminated samples from Texaco is much less than ours.

VOICE: I’m sorry...the total for water and soil?

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LUCIA: Total for water and soil..

VOICE: Reservoirs?

LUCIA: In reservoirs, in the surrounding areas, in wells and stations.

STEVEN: One point for clarification. This has to do with the standards of Ecuador. This means that many of Texaco's and ours that didn't fail to meet them, they did fail to meet the standards of the United States.

LUCIA: These are the summary charts of samples of soil and water. So we have the total of Texaco 1,151 with 684 contaminated samples. For soil, Texaco has presented 837 samples, out of which 370 turned out to be contaminated. And for water, Texaco has 344, of which 311 turned out to be contaminated. I'd like to clarify something here. Texaco always shows their water samples below the laboratory detection levels. This is an estimate that we make corresponding to the [PH] HABS that, if we take away the minus sign from this thing, it vastly fails to meet our national standards. But they always present their results with lower levels than the detection of the laboratory equipment. Ours. Of 499 samples analyzed, 396 were contaminated. For soil, we have taken 354 samples, of which 301 turned out to be contaminated. And for water, 98 samples, of which 95 show contaminants.

ANN Is this for all contaminants? TPH, [PH] HABS?

LUCIA: We're going to look at what we've analyzed. Continue, please. The sites where we've been doing the inspections. We have Lago Agrio. These are for the stations. We've been in Lago Agrio Norte, Lago Agrio Central, the Aguarico station, [PH] Shushufindi Norte, [PH] Shushufindi Central, [PH] Shushufindi Sur, [PH] Shushufindi Suroeste, [PH] Sacha Norte Dos, [PH] Sacha Norte Uno and [PH] Sacha Central. [If proper nouns are translated: "Northern Lago Agrio, Central Lago Agrio, the Aguarico station, Northern Shushufindi, Central Shushufindi, Southern Shushufindi, Southwestern Shushufindi, Northern Sacha Two, Northern Sacha One and Central Sacha".] These are basically the fields where Texaco was involved. And the wells are from the same fields. From Lago Agrio, Guanta, Shushufindi and Sacha, for a total of 42 sites inspected. We are missing all of the southern part. We need to remember that Texaco took their first concession, it was a million, four hundred thousand hectares. Never in history had such

[15:00]

a large concession been given to an oil company. When he did the seismic part, he delivered the larger part of the hectares, keeping just six hundred thousand and something hectares, which is the part which studies are meant to be done on.

ANN One second. Can I see...

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LUCIA: These are the stations, later there are the wells. The following one. Here is all of the summary chart for the sites inspected. As we can see, the majority of them are sites that supposedly underwent remediation by Texaco. All of them currently show contamination. And these sites that were not part of the remediation as such. There are two stations, Chichifundi Central and Lago Norte. Even though they say that they came in and did the remediation, what they did was deliver equipment. Equipment for reinjection, and they did no remediation work, but these sites remained as if they had undergone remediation.

STEVEN: Can I make a very quick point? If a shadow is not falling across these sites. These are sites that underwent quote "remediation" unquote by Texaco. So this is really legal evidence of fraud. These sites, but we need to understand, legally, the remediation of Texaco doesn't matter to us in the following way. We're presenting a lawsuit with private persons. This was a matter between Texaco and the government. So this remediation is not really very legally relevant. The only thing that is relevant is whether the place where Texaco operated is contaminated or not. Whether remediation sites or other sites. Another very important thing. This shows that, if they take out all of our evidence, I think that we'll win this case. In other words, Texaco is proving our case. With all of their manipulation of the sampling, as can be seen in the inspections, they are still drawing soil and water samples that violate the laws of Ecuador. So they themselves are collaborating the evidence we are presenting. Both sides collaborate each other. And this means, in my opinion, that the evidence is unassailable. How would you say it?

VOICE: Invaluable.

STEVEN: Invaluable. It cannot be attacked. Because even if their own criteria were accepted, if they took out all of our samples, all of them, I can argue, using only their own samples, that they have proven the plaintiffs' case. That's why, as an attorney, I honestly don't understand their legal strategy.

ANN Samples that violate national law. Which law?

LUCIA: Ecuadorean law.

STEVEN: Which law in Ecuador?

LUCIA: Which law? Executive Decree 1215, which is the Environmental Regulation Concerning Hydrocarbon-Related Operations [PH] of Ecuador, and the TULAS, which [in Spanish] stands for the "Unified Text of Secondary Environmental Legislation". These are the two that we currently have in effect. Without forgetting that there are laws like the Water Law which, because it is a Law, is in effect and was in effect at the time of the remediation, and they ignored it.

ANN Is it TPH?

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LUCIA: Everything. I mean, by Executive Decree 1215, we analyzed TPH, we analyzed cadmium, we analyzed [PH] HABS and nickel and lead. We took the rest of the contaminants from the TULAS, from Appendix 2,

[20:00]

where it talks about soil that had undergone remediation. The concentrations that the remediated soil, determined contaminants and water should have.

ANN But Texaco, we don't have measurement of TPH? It's DRO, [PH] PRO yes.

LUCIA: We added it up.

ANN Comparatively...

LUCIA: We added them and compared them with our standard, which is only for TPH.

STEVEN: She adds them up.

ANN She adds them up and compares it to...

STEVEN: to the TPH. To the [PH rest of sentence] 1,000 TPM of TPH.

ANN To the thousand. Ok.

LUCIA: This is a chart of all the sites that Texaco supposedly remediated by fields. They are the fields where Texaco worked, which are Sacha, Shushufindi, Aguarico, Atacapi, Cononaco, Lago Agrio, Yuca, Auca, Guanta and Parahuaco. Plus one of the wells, which they took as exploratory. That is to say, they did the drilling, Texaco, and didn't develop it, because they didn't find it to be of interest to them for production. And there are the eleven stations which Texaco created. They set them into production, they always had them in production and in operation until 1990, all the concession was reversed. There are 146 remediated sites, according to this chart. This is the summary chart of the environmental regulation for hydrocarbon-related operations. That is to say, what appears on the [PH] RAF. Let's continue. And this is a summary chart that we've made here in the office, for all the operations of the Texaco wells where we saw that, before 1990, they drilled 321, of which they only remediated 167. The rest of the wells were either held by Petro Ecuador in operation and, so, by agreement in the RAF, it said that if Petro Ecuador was operating reservoirs and the facilities which they would have had at the wells, they did not have any reason to do remediation. This was basically the excuse for why they didn't remediate the rest of the sites. What Dr. Fajardo said was that, before 1980, they drilled most of their wells. And between 1990 [sic], there were just five wells. All the technology used by them was the technology used before 1980, and so, from what we've researched and what we've analyzed, they always had the same technology from 1910, when they came to Colombia, until 1980, when they were here.

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MALE SPEAKER with glasses: To clarify...there are fields that were discovered in the year '70 but there are wells that were drilled afterwards, for example, the matter of Yuca, it was drilled after '80. The matter of Cononaco also.

LUCIA: Yes, but they are not Texaco's. These are the ones that Texaco drilled.

MALE SPEAKER: Yuca, Yulebra, Culebra are Texaco's.

MALE SPEAKER with glasses: No. They were drilled by Texaco.

LUCIA: No, sure, here is Yuca. Not the ones that they say ...

MALE SPEAKER: Texaco was in Cononaco as well.

LUCIA: Yes, wells were drilled afterwards, but Texaco did not drill them any longer.

MALE SPEAKER: No. Texaco is...Cononaco [INAUDIBLE].

LUCIA: Yes, sure, there's Cononaco.

People talking at the same time....[INAUDIBLE]

LUCIA: Ok, so these are some things we've gathered together here. I'm sure some things are missing. We have productions.

VOICE: They are just exploratory.

LUCIA: Exactly. And we have complete productions of Shushufindi and Sacha. The rest of the productions we have only up to 1990. These are the lists of all the ones operated exclusively by Texaco. There are a total of 64 wells, of which only the ones that appear in yellow were remediated. The rest have not been remediated.

FEMALE VOICE: These ones are properly remediated, or just supposedly remediated?

MALE VOICE: Supposedly.

LUCIA: No, capped off. They came in, they capped it off, took something out, poured water, planted trees and that was the remediation. As you can see, there are 8 wells out of 64. The rest of the sites are just as Texaco left them. That was one of the parts of the recommendation that they should go into those sites solely operated by Texaco. These wells are all exploratory, so most of them would not be very recommendable, right? Questions. Continue, please. This is the summary chart of the 42 inspections, of the amount of contaminants found

[25:00]

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and per contaminants. What has Texaco analyzed? Both of them. Barium, cadmium, nickel, zinc, chromium, copper, lead, vanadium, chromium 6, [PH] benzopyrene, naphthalene, pyrene, [PH] benzantracine, benzene, ethylbenzene, solenoid, toluene, TPH, HABS and mercury. The majority of the contaminants which have been found in the 42 inspections have been: barium, copper by Texaco. The majority of the samples contaminated with copper are Texaco's. There are 200 contaminated samples. Naphthalene is a good indicator and Texaco has always found it. Benzopyrene, that's why I'm telling you the part about HABS because they always find it.

MALE VOICE: Cadmium.

LUCIA: Pyrene, also all are carcinogens. Texaco found 3 samples contaminated with benzene, 5 with ethylbenzene, 4 with solenoid, 2 with toluene. These are the [PH] vertexes. They are the main carcinogens found with components of the TPHs. TPHs, we have found 428 contaminated samples. HABS, we have found because they have never presented total HABS. We have found 68 samples. And those are the main ones.

MALE VOICE: Cadmium as well.

LUCIA: Cadmium not as much. 120, and we're about equal on our results, because Texaco has obtained 61 samples and we have 59. And in water...

STEVEN: I have a question about something I don't understand. I thought that Texaco was not testing for a lot of things to avoid bad results for them. But it really isn't. They've been testing for a lot of the same things that we are testing for.

LUCIA: In the beginning, yes.

STEVEN: So it explains a little bit how in the beginning, Texaco didn't understand, didn't know, I think, what they would have to do to manipulate things more efficiently. Does that make sense? So in the first inspections, they were producing results that were terrible for them. In the month of August 2005, after almost a year of inspections, we had a press conference where we presented the results, saying that they were proving our case.

MALE VOICE: That was a mistake.

STEVEN: That was a terrible mistake, but that's what we did.

LUCIA: Because they figured out what was going on then, and they made a 90 degree [sic] turn.

STEVEN: And there they changed their methods. But even with the changed methods, they are still pulling samples that are bad for them, right? Not as much as before, but they still are.

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LUCIA: Not as much. After that press conference, cadmium did not appear anymore, for example. Cadmium never appeared again in the samples of Texaco. Without fail.

STEVEN: I think that's part of the evidence that...

LUCIA: And TPH.

STEVEN: shows their intention to really not practice science with integrity.

LUCIA: Exactly. And the same thing happened with TPH. TPH practically disappeared. It disappeared from their samples. It's not there anymore.

STEVEN: DRO and GRO or total TPH?

LUCIA: DRO and GRO.

STEVEN: They don't do it anymore?

LUCIA: It's not there anymore. No, they do it, but there's not contamination anymore.

STEVEN: Because they take it from somewhere else. Far away.

ANN: It's a part of the fraud. We can show a graph with time and...

STEVEN: Explain.

LUCIA: Sure, and plus, we can do it by fields. An extrapolation of the first reports that were done in Sancha. Practically, Sacha showed up terribly contaminated on them. They were the first inspections, and then in Shushufindi contamination began to be lower, even though in the stations contamination does show up. But why? Because they are blaming Petro Ecuador. There, they definitely don't want to show contamination, because they immediately say, "that is Petro Ecuador's". But in the wells, contamination did not show up again.

MALE VOICE: The test they started doing late compared to the first steps is the predicted [PH] leaching test.

ANN: Huh. Oh, the [PH] leach test.

[30:00]

MALE VOICE: Where you can predict and say...

ANN: This is different.

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MALE VOICE: This may be one hundred parts to a million but if you do a leach test it shows up as ten. You change the method.

ANN: That's different. It's only for inspections, right?

LUCIA: For the 42 inspections.

ANN: The type of remediation. A point changes the type of analysis. But it's different.

LUCIA: The ones we are going to do the analyses for the survey of [INAUDIBLE].

MALE VOICE: Could you explain that Ann where it leaches over. Where instead of taking right next to the pit they take that says ok ...

MALE VOICE 1: That's right they take them elsewhere. That's what they were referring before. That part of the reason why the results showed lower levels of different chemicals is because they took the samples elsewhere.

MALE VOICE: Yes they took them elsewhere. Further outside.

MALE VOICE 2: A part of the results show up different, it's because the last results were taken from different places.

MALE VOICE 1: Exactly. They took the samples somewhere else. That's what you all were saying, right?

LUCIA: They took them at the well in the station as such, but on the outskirts, where they were certain to not find any contamination.

STEVEN: Could you talk a little bit about how it is that they have never taken that, and what role chromium 6 plays in our analysis of their guilt?

LUCIA: Well, what Pablo was explaining is that it's important for us, because if we find it, it means that these guys drilled the well and tossed the residue into the reservoirs and left them there. But I explained to them, we have found 95 samples contaminated with chromium 6, and they have found none. They take chromium 6, the contaminant has never shown up for them.

STEVEN: How can that be explained? Are they testing for chromium 6?

LUCIA: Yes, they're testing for chromium 6.

STEVEN: How can that be explained?

LUCIA: They've never found it.

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STEVEN: How can you possibly explain something like that and get away? And I thought they weren't analyzing for it. She's saying they are analyzing for it but it's not even coming out in the results for Chromium 6.

ANN: Different methods? I don't know.

LUCIA: It must be the methods.

ANN: The same places?

STEVEN: Oh, they're [INAUDIBLE] from somewhere else.

ANN: Yes, I think that's it.

LUCIA: So anyway, my point...

ANN: I think that this chart is perfect, and I need to have it in the Executive Summary.

LUCIA: So my point with chromium 6 is that only 8% of the 1,600 samples contain chromium 6. It's not a representative content to be able to say that we are going to find chromium 6 in the other 60 sites. Just the opposite—if you see the content of [PH] HABS for us, it has been high and it's more important. And it's been extremely high for them. Even though they haven't given us the [PH] total HABS they have always found [PH] HABS. The [PH] HABS are pyrenes, naphthalene, benzopyrene, and benzantracine. So they have always found it after all. They always have to report it. It's more probable that we will find HABS than find chromium 6.

ANN: We need maps with the locations of our samples and Texaco's samples.

LUCIA: We're trying to get that.

ANN: And concentrations, and that could explain why there are different results.

LUCIA: That's right. So the other component is water. So with water, I used the same parameters always analyzed by Texaco, but we only have samples from two parts of the following parameters: Barium, cadmium, nickel, zinc, chromium, copper, lead, chromium 6, TPH and HABS. As you can see, Texaco does not show contamination in the water, because of the problem that I already made reference to regarding the way that they present the laboratory analyses. But there is one sample that was taken in one station, Lago Agrio Central, where they found 7 samples contaminated with barium. Obviously, passed on to Petro Ecuador. We have had high contents of barium, cadmium, nickel, zinc, lead, chromium 6, TPH and HABS.

ANN: How many samples did Texaco have?

[35:00]

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LUCIA: No. The thing is, no...

ANN: There are no samples or there is no comparison?

LUCIA: There are samples. There is no contamination. They always take analyses of water samples, but they come up with contamination of what? Of fecal coliforms and total coliforms. So they say that cancer in the population of the Eastern Region of Ecuador ["el Oriente"] is caused by the fact that the people are consuming water contaminated with fecal coliforms and with total coliforms.

STEVEN: But there is one study in the whole world that connects total coliforms with cancer. One study in the entire world.

MALE VOICE: And it's Texaco's.

STEVEN: But there is no study. It's not a study. It's what they say.

LUCIA: They do their own studies.

STEVEN: Huh?

LUCIA: Their experts do their own studies, remember.

STEVEN: But there's something I don't understand. These zeros of Texaco for cadmium, nickel, zinc, etc.

LUCIA: No, I was the one who put those there so that you all could see that they show zero contamination.

STEVEN: No, that's what I'm saying. But you're saying that they're testing water for those but they don't show up in their analysis. So why? Is it because the laboratory is...

LUCIA: Because of the analyses. Because of the way that they [INAUDIBLE].

STEVEN: Pablo. I don't understand. I want to understand that.

MALE VOICE 4: This is surface water.

PABLO: What they do and maybe...

STEVEN: Please, let's listen to Pablo.

PABLO: Maybe Luis, who is one of the technicians who spends the most time in the field, can explain to us how they take the water samples. First they take it from surface water. Second, if water is flowing in that direction, they take it against the current, behind

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the place where there is no contamination. They look for all the areas where it's logical and common sense that there is no contamination. That's where they take the water sample.

STEVEN: Ok. So if the reservoir is here and the river is flowing, they take it from here.

PABLO: Exactly.

LUCIA: No, and they take it from the taps of the homes.

STEVEN: What?

LUCIA: They, in one report, I don't remember if it was Sacha Central, anyway, they took it from the tap of a home which the Petro Ecuador tank reaches. But Petro Ecuador brings the water to the community, and they took it from that tap and put the photo of them taking it from the tap. It wasn't Shushufindi.

VOICE: Shushufindi Central.

LUCIA: It was Shushufindi.

ANN: And we need five or ten examples of this with maps and locations to prove this fraud.

VOICE: We have that.

LUCIA: We have it.

ANN: Ok.

STEVEN: They talked about that in their report as well. That's what...

ANN: Yeah.

STEVEN: But we need more examples.

ANN: Yeah, more examples.

LUCIA: Well, the maximum values that we have found up to this point for each one of the contaminants which we have already established. For barium, we've found 8,030 in soil. The permissible standard in Ecuador is 750 PPM. And in one sample we found 8,030. For cadmium, 27. The permissible limit is one. Nickel, 199.37. The permissible limit is 40. Zinc, 617.91. This sample is from Texaco. The permissible limit is 200. Chromium, 232.8. The permissible limit is 63. Copper, 120.

VOICE: Which one? Ecuadorian?

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LUCIA: I'm sorry.

VOICE: The permissible limit depending...

LUCIA: Of Ecuador. Ecuadorean. According to TULAS. I'm sorry, chromium is 65. Copper, 63 is the permissible limit and we have a sample with 120. Lead, 294. The permissible limit is 100. Vanadium, 309. The permissible limit is 130. All of the vanadium samples are from Texaco. We did not analyze vanadium. Mercury, 7. The permissible limit is 0.8. Chromium, 6, 32.19 [sic]. The permissible limit is 0.4. Benzopyrene, 0.8. The permissible limit is 0.1. Naphthalene, 35. The permissible limit is 0.1. Benzanthracene, zero forty-two. The permissible limit is zero one. Pyrene, 28. The permissible limit is 0.1. Benzene is 0.02. The permissible one is 0.01. It didn't exceed it by much. Ethylbenzene, zero fifty-seven. The permissible is zero, zero, zero. Solenoid, one nine. The permissible is zero, zero, zero. Toluene, zero twenty-one. The permissible limit is zero, zero, zero. TOP, nine hundred thousand. Shushufindi 4. Not remediated. Permissible limit is 1,000. HABS 154.

[40:00]

The permissible is one. In water. Barium 132. The permissible limit is 0.328. Cadmium, 7.9. The permissible limit is 0.09 milligrams per liter. Nickel, 4.66. The permissible limit is 0.45. Zinc, 9.38. The permissible limit is 0.25. I may be getting the names wrong but these are the ranges. Chromium, 6, 0,6 [sic]. The permissible is 0.4 something. No, but that's in soil. In water, it's 0.0...

ANN: 5.

LUCIA: In water 0.5?

ANN: Yes.

LUCIA: No, in water it has to be less.

VOICE: No, 0.04.

LUCIA: 0.04. Lead 2,5 [sic]. The permissible is 0.25 milligrams per liter. These are the TPHs, 919. The permissible limit is 0.325. HABS, 1.8. The permissible limit is 0.0003. and copper, 4. The permissible, 0.45.

VOICE: I had a question. If you have a chart that shows, not the maximum values, because of course, the difference from the maximum values is abysmal, but rather, a chart that shows the averages of the values that have been obtained. I mean, instead of the maximum values, what the averages are of the contaminants obtained in samples.

ANN: Do you have averages?

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LUCIA: No, the minimum is zero. The minimum that has been found is zero. And these are the maximums.

STEVEN: But you don't have the averages?

LUCIA: I haven't figured the average.

ANN: There aren't averages?

LUCIA: I haven't figured it out.

STEVEN: [INAUDIBLE] all the results. **We had a mean. Is that what you are asking? No, we haven't done that.**

ANN: **Like an average of samples.**

STEVEN: **No, we haven't done that.** I have a question. Are those for both parts [or "both parties"]?

LUCIA: Yes (with her head).

ANN: Ok.

STEVEN: Ok. But how many of those...are any of those from Texaco, or are they only ours?

LUCIA: Yes, sure. Vanadium is Texaco. The TPH figure was one of our samples. Barium is from Texaco.

STEVEN: Ok. All right. Perfect.

LUCIA: If they are....

STEVEN: That's very interesting, and some of the highest ones are from Texaco.

ANN: Yes, I need...

STEVEN: **That's good.**

VOICE: Could the two types of results be separated? Yours and Texaco's.

LUCIA: Yes, I have them separated. This was a summary for you all to see how the chemical testing in the case is going. What Steven says is correct, the case is already practically proven. What we need is to link this part of the toxic materials. These on the bottom here, I did for you all to be aware of how the part of the contamination is going.

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For example, for barium, Texaco had the greater part of contaminants for barium, more than our total. But still, I can give this to you all after the summary. The important thing, as I was saying to you, is for you to see that the evidence exists, that the other 60 sites will find contaminants, but it's important to look at what it is that we are going to analyze. What is it that we have always, repeatedly, found, and the importance of analyzing these contaminants in the remaining 60 sites. Something that I'd like to say to you all is that, hopefully, we will be able to analyze the health part. If the technical team [or "equipment"] seems important to us, if it seems important to us not only to put in the bibliographic [PH] part but we had already given a suggestion, it was to maybe work with a university, with students who could come out into the field, for them to be in the same sites where the 60 inspections are, because if it's...because it's the part that the people's lawsuit is related to. And we can say, there are contaminants in a reservoir and Texaco and Texaco [sic] responds, the reservoir is three kilometers, it's one kilometer away from where the closest contamination is. So there is no contamination. If there is no risk, why are we fighting this? Any other questions?

ANN: There are different standards depending on where you are. This is the question, if for example TPH, if you are in the pit for water it's one standard and then if it's farther away, it's more stringent, more protected. Is that true?

STEVEN: You say that's true in the United States. The question is...
[45:00]

ANN: No, here.

LUCIA: No, here.

STEVEN: No, the question is if that exists here in Ecuador?

LUCIA: There are standards. Decree 1215 has standards for industrial zones, protected zones and for agricultural zones in the part of soil which is where we took the TPH. WE always took the strongest standards. The MIL, the permissible amount for the MIL PPM for soil, we took that in a protected zone. Why? Because the Eastern Area ["el Oriente"] was a protected zone at the time that they arrived.

STEVEN: I know where this is going. Basically these are [PH] pits in Ecuador has industrial standards for TPH's which are much higher, like eco systems where people live. But we make the argument that this whole area is a delicate eco system because of the rain forest and because people are living next to an [PH] incompetent pit. There's no fence, there's nothing to separate people from the contamination. So we don't make. I don't think we should make that distinction. Am I making myself clear? That is to say, Texaco says, for example, where are those stations and operation centers, it's an industrial area. But if you see a reservoir, you can see reservoirs covered by Texaco where people live above the reservoir in some places or next to it, thinking it's been remediated and it is safe. So, as attorneys, we do not distinguish the standards of TPH between the reservoirs and the rest of the ecosystem. Why? It's the jungle, it is unique,

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everything is delicate, and because people live all around there. There is no gate blocking many of these sites. Much less the stations. But the wells, everything is open, and furthermore, interestingly enough, I'd say, the migrants who went there had the tendency to set up right next to the wells, because that's where the roads were. That's why we don't make a distinction.

ANN: I agree. Then we need a section in the plan work or report that explains all that.

STEVEN: Exactly.

MALE: One question. Are you using the legal argument that standardization regulations previously existed? The law said that it was prohibited to dispose of waste in this very sensitive area. Is this the basis of your argument?

STEVEN: But it's important to understand the theory...that's what Pablo said. Texaco can use the standards. Several standards. The standards that existed when they arrived. 1964. Standards during the operations in the 60's, 70's, 80's. Standards during the remediation in the 90's. And standards that currently exist today and standards in the contract. Because there was a provision in the operation contract. So our position is that they can chose any law or standard from any period. During their operations or afterwards or during the remediation and they lose. They lose, because the standards or the laws when they were are in absolute conditions. And the standards during remediation are very clear that they violated that. And today's standards, which are more strict, they obviously violate those. Also, and this is very important, the legal theory I think it's appropriate for the court to use, today's standard. Obviously, the contamination they left exists today, and that's how laws function in the United States. Each Environmental Law functions in that way. If you've left something behind, you are punished according to the Law when the sentence is issued, not when you were operating. They are using this to create a smoke screen.

[50:00]

But it's really not very important for us, because you can pick any Law, any year when Texaco has been in operation, and they end up losing.

PABLO: There's one thing that bothers me as far as the Law is concerned. Texaco, by requirement, had to direct its operations according to Ecuadorean law and, more specifically, according to the Law concerning Hydrocarbons. In one article of this Law concerning Hydrocarbons, I'm just reading one part of section T which was in effect throughout the operations of Texaco, and it says, look: "direct oil-related operations according to the laws, regulations of environmental protection and the safety of the nation. And in relation to international practices, as concerns preserving the [PH] histological richness and the richness of the agrarian-fishing industry. To this end, the contracts will be the respective guarantees of the contracting companies [sic]."

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ANN: Yes, and that's very old, isn't it?

PABLO: The year '71. '72.

LUCIA: Is that the Law that is in effect?

PABLO: Yes.

ANN: Yes, because it's very important to bring the laws [INAUDIBLE].

PABLO: Yes. It also makes mention of the laws of the nation that already existed and also international regulations with international standards.

LUCIA: The last thing was to mention to you all that in the last verdict that we had, precisely, from the population of San Carlos, which is the population most affected in levels of cancer, Texaco, the specialist from Chevron Texaco, indicated that there is a study on cancer that was done by the INEC, they are very serious people here.

VOICE: Done by who?

LUCIA: The INEC. I don't know how it translates, Pablo. The Institute...

LADY: Census statistics.

LUCIA: Exactly. Of statistics and censuses. INEC. The INEC did a census of the population of San Carlos, and the conclusion is that the population of San Carlos has a lower percentage of cancer than that which appears in the Province of Pichincha. So that is the last conclusion that they have to defend themselves, saying that cancer in San Carlos does not come from hydrocarbons.

STEVEN: Does that have some zones?

LUCIA: No, because it is a document of the INEC and supposedly it is the entity that does all the censuses here in Ecuador. Carries a lot of weight.

STEVEN: But how is that justified, because the cancers in San Carlos are not concerned?

LUCIA: Well they say that the San Sebastian study is very biased. That the San Sebastian study was practically only done with men. That it doesn't take into account women. That the INEC does take into consideration men, women and children. And also that the population has risen. That it is untrue that the population is dying off or that they have exterminated the native people. That the population has increased, and does not have cancer.

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MALE: But it's relative, because the INEC only does statistics and census. It's not the one doing a study.

LUCIA: That's why we are going to indicate, again, that it would be good to do this study. This study that will be done by, I don't know, students, some volunteers. Let them go two months and we'll have something to counteract all of the attacks that Texaco always makes on us, because we have nothing more than the San Sebastian study to say that there is cancer. We have nothing else. And according to the study, they have many things that have been cut. It's very biased.

STEVEN: How many more slides?

LUCIA: No. That's it.

STEVEN: Let's talk about time, friends. Let's talk about time. We want Charles to present on his remediation concepts. On the costs. He's been studying that. That is the final presentation. I imagine it won't last more than half an hour?

CHARLES: Half an hour? No.

STEVEN: Less. And after that, we'll have a little discussion and decide how we'll plan the rest of the day. If you have to leave, no problem. But a half hour more, give or take.

MALE: And after his presentation, it'll be time to eat.

STEVEN: We'll wait five minutes for a break. We have food.

[55:00]