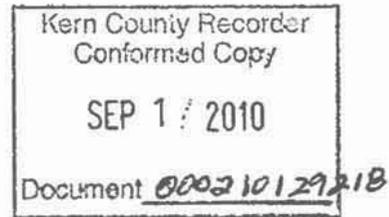


RECORDING REQUESTED BY

Chemical Waste Management Inc.
9081 Tujunga Avenue
Sun Valley, California 91352



WHEN RECORDED, MAIL TO:

Department of Toxic Substances Control
Attention: Landfills Permitting
8800 Cal Center Drive
Sacramento, California 95826

Date: Sept. 8, 2010

COVENANT TO RESTRICT USE OF PROPERTY

ENVIRONMENTAL RESTRICTION

Re: County of Kern. APN 093-010-05, 093-010-06, Chemical Waste Management, Inc.
Bakersfield Facility, DTSC Site Code 100033

This Covenant and Agreement ("Covenant") is made by and between Chemical Waste Management, Inc. (the "Covenantor") and the Department of Toxic Substances Control (the "Department"). Covenantor is the current owner of certain property situated in Bakersfield, County of Kern, State of California, described ~~and depicted~~ in Exhibit A attached hereto and incorporated herein by reference (the "Property"). Pursuant to Civil Code section 1471, the Department has determined that this Covenant is reasonably necessary to protect present or future human health or safety or the environment as a result of the presence on the land of hazardous materials as defined in Health and Safety Code section 25260. The Covenantor and the Department (collectively referred to as the "Parties"), hereby agree, pursuant to Civil Code section 1471, and Health and Safety Code section(s) 25222.1 and 25355.5, that the use of the

Property be restricted as set forth in this Covenant; and the Parties further agree that the Covenant shall conform with the requirements of California Code of Regulations, title 22, section 67391.1.

ARTICLE I
STATEMENT OF FACTS

1.01. The Property, totaling approximately 1,089.44 acres, is more particularly described ~~and depicted~~ in Exhibit A. The Property is located at 27001 Round Mountain Road, approximately 1.5 miles east of the intersection of Granite Road near Bakersfield, County of Kern, State of California. The Property is approximately thirteen (13) miles northeast of the City of Bakersfield, California. This Property is more specifically described as Kern County Assessor's Parcel Numbers: 074-120-09, 074-120-24, 093-010-05, 093-010-06, 093-10-08. The 142.31 acre Restricted Area, described ~~and depicted~~ in Exhibit B, attached hereto and incorporated herein by reference, includes the area of the Property that was previously used for waste management or disposal activities and adjacent areas. The Restricted Area is generally described as the northern half of Section 2, Township 28 South, Range 28 East, in Kern County, California, and is more specifically described as Kern County Assessor's Parcel Number: 093-010-05, 093-010-06.

1.02. Within the 142.31 acre Restricted Area are the closed Waste Management Units, ~~more particularly depicted in Exhibit C attached hereto and incorporated herein by reference. Encompassing the closed Waste Management Units is an area that has been capped (Capped Area), also depicted in Exhibit C. Exhibit C provides an approximate location and extent of the 91 acre Capped Area.~~ The closed Waste Management Units are divided into the Western and Eastern Waste Management Units, and together, they contain nine closed surface impoundments, two landfills, and a land spreading area. The legal description of the closed Waste Management Units is specifically described in the Record of Survey, Book 16,

Page 153, Kern County Recorder and in Exhibit D, Legal Description of Waste Management Units, attached hereto and incorporated herein by reference.

1.03. The Waste Characterization Report dated November 4, 2008 identifies relatively low concentrations of the metals Cadmium, Lead, Mercury, Molybdenum, Nickel, and Thallium remain at depths of 3 feet or more below the surface of the Restricted Area. Additionally, relatively low concentrations of the polycyclic aromatic hydrocarbons benzo(a)pyrene and benzo(a)anthracene that remain at depths of 3 feet or more in certain areas below the surface of the Restricted Area. These metals and polycyclic aromatic hydrocarbons are hazardous materials as defined in Health and Safety Code section 25260.

The Restricted Area is a former waste disposal facility (Facility) originally opened in 1973 by the M.P. Oil Company for treatment and disposal of waste generated oil field operations. In 1981, the Covenantor purchased the Facility, and applied to the California Department of Health Services (predecessor in interest to the Department) for a Resource Conservation and Recovery Act (RCRA) Hazardous Waste Facility Permit. The Facility received an Interim Status Document on March 30, 1981 under EPA ID number 000624056, which authorized the Facility to accept RCRA regulated hazardous waste. However, a review of available manifest records and the 2008 Waste Characterization Report indicate the Facility predominately did not accept RCRA regulated hazardous wastes.

During the active life of the Facility, operations included the landfilling, land spreading, and the use of surface impoundments for solar evaporation and oil water separation of semi-solid and liquid wastes. The last incoming waste to be treated or disposed of at the Facility occurred in 1985. The Facility was closed with surface impoundment Ponds P-1, P-2, P-3, P-5, P-6, P-7, landfill and Burial Cell B-1, and spreading and Solidification Area S-1 as the Eastern Waste Management Unit. Landfill Burial Cell B-1W, Northwest Sector spreading area, and

surface impoundment Ponds P-1W, P-2W, P-3W were closed as the Western Waste Management Unit. The arrangement of waste management units at the time of closure is shown in Exhibit C. Exhibit E, attached hereto and incorporated herein by reference, provides an estimate of the location, and quantity of wastes disposed in the Waste Management Units.

Between September 1986 and April 1987, the Facility completed closure construction work. Closure construction included stabilization of liquids and sludges in all surface impoundments, consolidation of contaminated material from unmanaged areas into designated waste management units, placement of the closure cover (Cap), construction of drainage and erosion control features, and vegetation of the Cap. The Cap was installed on approximately 91 acres and included 18 inches of low permeability compacted clay and a minimum of 15 inches of top soil. On April 30, 1991, DTSC issued the Facility a Post-Closure Hazardous Waste permit, which required the Facility to conduct groundwater monitoring and reporting, leachate removal, maintenance of the Cap and the erosion control and drainage systems, and providing financial assurance to conduct these maintenance activities.

On October 13, 2009, DTSC received a petition from the Covenantor to end the Facility's requirement to maintain a Post-Closure Hazardous Waste permit with DTSC. The Petition was submitted to demonstrate that the Facility met the closure by removal or decontamination standards of the California Code of Regulations, title 22, section 66270.1(c)(5)&(6), and that the Facility did not present a significant risk to human health or the environment. The Petition referenced and summarized the following three documents:

1. *Waste Characterization Report Bakersfield Facility* prepared by Amec Geomatrix dated November 4, 2008
2. *Health and Ecological Risk Assessment Bakersfield Facility* prepared by Amec Geomatrix dated June 2, 2009

3. *Health and Ecological Risk Assessment Update Bakersfield Facility* prepared by Amec Geomatrix dated September 2009

The Waste Characterization Report presented the results of a data collection effort in which two hundred and thirty eight soil samples were collected and analyzed for chemical constituents potentially present in waste accepted at the Facility. Laboratory analysis indicated that subsurface soil samples did not contain concentrations of chemicals that are classified as hazardous waste or that present a significant environmental or human health risk provided that a land use restriction is implemented. On June 25, 2010, DTSC made a final decision that the Facility met the standards of the California Code of Regulations, title 22, section 66270.1(c)(5)&(6) and would no longer be required to maintain a Post-Closure Hazardous Waste Facility Permit with DTSC; but could be managed in an environmentally protective manner through recording of an approved land use covenant and continued oversight by the Central Valley Regional Water Quality Control Board.

1.04. The findings of the Risk Assessment reports dated June 2, 2009 and September 2009 were approved by the Department on April 28, 2010. Relatively low concentrations of metals and polyaromatic hydrocarbons remain in portions of the waste or soils below 3 feet within the Restricted Area. The metals and polycyclic aromatic hydrocarbons were detected at the following maximum concentrations: Cadmium 8.8 mg/kg, Benzene 0.026 mg/kg, Benzo(a)anthracene 1.4 mg/kg, Benzo(a)pyrene 0.31 mg/kg, Lead 120 mg/kg, Mercury 4.3 mg/kg, Molybdenum 33 mg/kg, Nickel 88 mg/kg, and Thallium 1.4 mg/kg. These metals and polycyclic aromatic hydrocarbons are hazardous materials as defined in Health and Safety Code section 25260. Based on the Risk Assessment reports, the Department concluded that use of the Property as a residence, hospital, school for persons under the age of 21 or day care center would entail an unacceptable hazard index and/or cancer risk. The Department further concluded that the Restricted Area, subject to the restrictions of this Covenant, does not present

an unacceptable threat to human health safety or the environment. Based on the assumptions, methodologies, exposure scenarios and exposure parameters evaluated and described in detail in the Risk Assessment Reports of June 2, 2009 and September 2009, and approved by the Department on April 28, 2010, no unacceptable risks are shown for future maintenance workers, future offsite residents and future consumers of beef or dairy originating from the Property.

ARTICLE II DEFINITIONS

2.01. Department. "Department" means the California Department of Toxic Substances Control and includes its successor agencies, if any.

2.02. Environmental Restrictions. "Environmental Restrictions" means all protective provisions, covenants, restrictions, prohibitions, and terms and conditions as set forth in any section of this Covenant.

2.03. Improvements. "Improvements" includes, but is not limited to: buildings, structures, roads, driveways, improved parking areas, wells, pipelines, or other utilities.

2.04. Lease. "Lease" means lease, rental agreement, or any other document that creates a right to use or occupy any portion of the Property.

2.05. Occupant. "Occupant" means Owners and any person or entity entitled by ownership, leasehold, or other legal relationship to the right to occupy any portion of the Property.

2.06. Owner. "Owner" means the Covenantor, and all successors in interest including heirs and assigns, who at any time hold title to all or any portion of the Property.

ARTICLE III GENERAL PROVISIONS

3.01. Runs with the Land. This Covenant sets forth Environmental Restrictions that apply to and encumber the Restricted Area and every portion thereof no matter how it is

improved, held, used, occupied, leased, sold, hypothecated, encumbered, or conveyed. This Covenant: (a) runs with the land pursuant to Health and Safety Code section 25222.1 and Civil Code section 1471; (b) inures to the benefit of and passes with each and every portion of the Restricted Area, (c) is for the benefit of, and is enforceable by the Department, and (d) is imposed upon the entire Restricted Area unless expressly stated as applicable only to a specific portion thereof.

3.02. Binding upon Owners/Occupants. Pursuant to the Health and Safety Code, this Covenant binds all owners of the Property, their heirs, successors, and assignees, and the agents, employees, and lessees of the owners, heirs, successors, and assignees. Pursuant to Civil Code section 1471, all successive owners of the Property are expressly bound hereby for the benefit of the Department.

3.03. Written Notice of Waste Disposal. The Owner shall, prior to the sale, lease, or rental of the Restricted Area, give written notice that waste remains on or beneath the Facility, pursuant to Health and Safety Code section 25359.7. Such written notice shall include a copy of this Covenant.

3.04. Incorporation into Deeds and Leases. This Covenant shall be incorporated by reference in each and all deeds and leases for any portion of the Restricted Area.

3.05. Conveyance of the Restricted Area. The Owner shall provide written notice to the Department not later than thirty (30) days after any conveyance of any ownership interest in the Restricted Area (excluding Leases, and mortgages, liens, and other non-possessory encumbrances). The written notice shall include the name and mailing address of the new owner of the Restricted Area and shall reference the site name and site code as listed on page one of this Covenant. The notice shall also include the Assessor's Parcel Numbers (APN) noted on page one. If the new owner's property has been assigned different APN, each such APN that

covers the Restricted Area must be provided. The Department shall not, by reason of this Covenant, have authority to approve, disapprove, or otherwise affect proposed conveyance, except as otherwise provided by law, by administrative order.

3.06. Costs of Administering this Covenant to be Paid by Owner. The Department has already incurred and will in the future incur costs associated with the administration of this Covenant. Therefore, the Covenantor hereby covenants for the Covenantor and for all subsequent Owners that, pursuant to California Code of Regulations, title 22, section 67391.1(h), the Owner agrees to pay the Department's costs in administering the Covenant.

ARTICLE IV RESTRICTIONS AND REQUIREMENTS

4.01. Prohibited Uses. The Restricted Area shall not be used for any of the following purposes:

- (a) A residence, including any mobile home or factory-built housing, constructed or installed for use as residential human habitation.
- (b) A hospital for humans.
- (c) A public or private school for persons under 21 years of age.
- (d) A day care center for children.

4.02. Soil Management and Non-Interference with Cap. Covenantor shall take the following steps regarding the Capped Area to maintain the existing cover overlying the Waste Management Units in good condition and repair:

- (a) Conduct no activities on the Waste Management Units or in the Capped Area that will disturb the soil below grade (e.g., drilling, excavation, grading, removal, trenching, filling, earth movement or mining) without a Soil Management Plan approved by the Department

in advance, except for maintenance activities (e.g., mowing, tilling, vector control) within the upper 12 inches of soil and vegetative cover;

(b) All uses and development on the Capped Area shall preserve the integrity or effectiveness of the Cap;

(c) Manage any contaminated soils brought to the surface by grading, excavation, trenching or backfilling in accordance with all applicable provisions of state and federal law;

(d) Inspect and repair sags, ponds, drainage interruptions, and surface erosion; and

(e) Reseed areas of stressed vegetation as soon as possible providing growing conditions are sufficient for vegetation growth.

4.03. Access for Department. The Department shall have reasonable right of entry and access to the Property for inspection, monitoring, and other activities consistent with the purposes of this Covenant, as deemed necessary by the Department in order to protect the public health and safety and the environment.

4.04. Inspection and Reporting Requirements. The Owner shall conduct an annual inspection of the Property verifying compliance with this Covenant, and shall submit an annual inspection report for the previous year to the Department for its approval by March 1st of each year. The annual inspection report must include the dates, times, and names of those who conducted the inspection and reviewed the annual inspection report. It also shall describe how the observations were performed that were the basis for the statements and conclusions in the annual inspection report (e.g., drive by, fly over, walk in, etc.). If violations are noted, the annual inspection report must detail the steps taken to return to compliance. If the Owner identifies any violations of this Covenant during the annual inspections or at any other time, the Owner must within 10 days of identifying the violation: determine the identity of the party in violation, send a

letter advising the party of the violation of the Covenant, and demand that the violation cease immediately. Additionally, copies of any correspondence related to the violation of this Covenant shall be sent to the Department within 10 days of its original transmission.

ARTICLE V
ENFORCEMENT

5.01. Enforcement. Failure of the Covenantor, Owner, or Occupant to comply with this Covenant shall be grounds for the Department to require modification or removal of any improvements constructed or placed upon any portion of the Restricted Area in violation of this Covenant. Violation of this Covenant, including but not limited to, failure to submit, or the submission of any false statement, record or report to the Department, shall be grounds for the Department to pursue administrative, civil, or criminal actions, as provided by law.

ARTICLE VI
VARIANCE, TERMINATION, AND TERM

6.01. Variance. Any Owner, or with the Owner's written consent, any Occupant of the Restricted Area or any portion of the Property may apply to the Department for a written variance from the provisions of this Covenant. The application shall be made in accordance with Health and Safety Code section 25233.

6.02. Termination. Any Owner, or with the Owner's written consent, any Occupant of the Restricted Area or any portion of the Property, may apply to the Department for a termination of the Restrictions or other terms of this Covenant as they apply to all or any portion of the Restricted Area. Such application shall be made in accordance with Health and Safety Code section 25234.

6.03. Term. Unless ended in accordance with paragraph 6.02, by law, or by the Department in the exercise of its discretion, this Covenant shall continue in effect in perpetuity.

ARTICLE VII
MISCELLANEOUS

7.01. No Dedication Intended. Nothing set forth in this Covenant shall be construed to be a gift or dedication, or offer of a gift or dedication, of the Restricted Area, or any portion of it to the general public or anyone else for any purpose.

7.02. Department References. All references to the Department include successor agencies or other successor entity.

7.03. Recordation. The Covenantor shall record this Covenant, with all referenced Exhibits, in the County of Kern within ten (10) business days of the Covenantor's receipt of a fully executed original.

7.04. Notices. Whenever any person gives or serves any notice ("Notice" means any demand or other communication with respect to this Covenant), each such Notice shall be in writing and shall be deemed effective: (1) when delivered, if personally delivered to the person being served or to an officer of a corporate party being served, or (2) three business days after deposit in the mail, if mailed by United States mail, postage paid, certified, return receipt requested:

To Covenantor / Owner:

General Counsel
Chemical Waste Management,
Inc. 1001 Fannin, Suite 4000
Houston, TX 77002

To Department:

Permitting Administrator
Department of Toxic Substances Control
8800 Cal Center Drive
Sacramento, California 95826

Any party may change its address or the individual to whose attention a Notice is to be sent by giving written Notice in compliance with this paragraph.

7.05. Partial Invalidity. If this Covenant or any of its terms are determined by a court of competent jurisdiction to be invalid for any reason, the surviving portions of this Covenant shall remain in full force and effect as if such portion found invalid had not been included herein.

7.06. Statutory References. All statutory references include successor provisions.

7.07. Incorporation of Attachments. All attachments and exhibits to this Covenant are incorporated herein by reference.

IN WITNESS WHEREOF, the Parties execute this Covenant effective on the date first written.

Covenantor
CHEMICAL WASTE MANAGEMENT, INC.,
A Delaware corporation

Date: 8 SEPT 10

By: //Original signed by//
Name: Philip C Perley
Title/Authority Sr. District Manager
Closed Site Management Group

Department
DEPARTMENT OF TOXIC SUBSTANCE
CONTROL, STATE OF CALIFORNIA

Date: 9/13/2010

By: //Original signed by//
Name: Peter Bailey
Title/Authority Landfills Team Leader
Dept. of Toxic Substances Control

STATE OF)
) ss:
COUNTY OF)

I HEREBY CERTIFY that on this _____ day of _____, 2010, before me, the subscriber, a notary public in and for said county and state, duly authorized in the State aforesaid to take acknowledgments, personally appeared _____, CHEMICAL WASTE MANAGEMENT, INC., a Delaware corporation, the Covenantor signatory in the foregoing document, having authority to act in this matter on behalf of Chemical Waste Management, Inc., a Delaware corporation, acknowledged the signing thereof to be their free and voluntary act and the free act and deed of said Corporation.

IN TESTIMONY WHEREOF, on behalf of the said Chemical Waste Management, Inc., a Delaware corporation, _____ has hereunto set his hands and seals the day and year first above written.

See attached
California All-Purpose
Acknowledgment

_____, Notary Public
My Commission Expires Feb. 16, 2014

A. M. Jones
Notary Public

* * * * *

STATE OF)
) ss:
COUNTY OF)

I HEREBY CERTIFY that on this _____ day of _____, 2010, before me, the subscriber, a notary public in and for said county and state, duly authorized in the State aforesaid to take acknowledgments, personally appeared _____, DEPARTMENT OF TOXIC SUBSTANCES CONTROL, STATE OF CALIFORNIA, , the Department signatory in the foregoing document, having authority to act in this matter on behalf of DEPARTMENT OF TOXIC SUBSTANCE CONTROL, STATE OF CALIFORNIA, acknowledged the signing thereof to be their free and voluntary act and the free act and deed of said Corporation.

IN TESTIMONY WHEREOF, on behalf of the said DEPARTMENT OF TOXIC SUBSTANCES CONTROL, STATE OF CALIFORNIA, _____ has hereunto set his/her hands and seals the day and year first above written.

_____, Notary Public
My Commission Expires _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

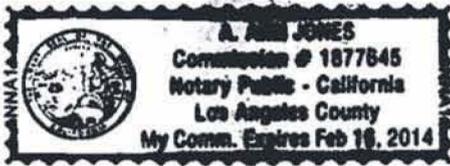
State of California

County of Los Angeles }

On Sept. 8, 2010 before me, A. Ann Jones, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Philip C. Perley
Name(s) of Signer(s)

on behalf of CHEMICAL WASTE MANAGEMENT



who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: [Handwritten Signature]
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Covenant to Restrict Use of Property

Document Date: September 8, 2010 Number of Pages: 37

Signer(s) Other Than Named Above: Dept. of Toxic Substance Control, State of California
Capacity(ies) Claimed by Signer(s)

Signer's Name: Philip C. Perley Signer's Name: _____

Corporate Officer — Title(s): _____ Corporate Officer — Title(s): _____

Individual Partner — Limited General Individual Partner — Limited General

Attorney in Fact Attorney in Fact

Trustee Trustee

Guardian or Conservator Guardian or Conservator

Other: _____ Other: _____

Signer Is Representing: _____ Signer Is Representing: _____

Chemical Waste Management