



United States Department of the Interior

OFFICE OF THE SOLICITOR

Rocky Mountain Region
755 Parfet Street, Suite 151
Lakewood, CO 80215
TELE. (303) 231-5353
FAX (303) 231-5363

September 30, 2011

Kevin J. Vaughan
Counsel, Environmental & Safety
Exxon Mobil Corporation
3225 Gallows Road, Rm. 3D0212
Fairfax, VA 22037-0001

Re: Yellowstone River Oil Spill, Silvertip Pipeline

Dear Mr. Vaughan:

This is to confirm that ExxonMobil Pipeline Company (hereinafter "ExxonMobil") has agreed to provide initial funding in the amount of \$500,000.00 for natural resource damage (NRD) preassessment and assessment costs to the United States Department of Interior, the State of Montana, and the Crow Tribe (the "Trustees") related to the July 1, 2011 Yellowstone River Oil Spill from the Silvertip Pipeline (the "Spill"). The parties may mutually agree to increase this funding amount at a later date. The Trustees reserve the right to seek recovery of any preassessment or assessment costs not paid by ExxonMobil under this letter agreement.

The Trustees will individually submit, to the address set forth below, periodic requests for reimbursement of NRD assessment and preassessment costs and expenses to ExxonMobil, along with the appropriate documentation supporting such costs and expenses.

ExxonMobil Address:

General Counsel
ExxonMobil Pipeline Company
800 Bell Street; PL-EMB-707C
P.O. Box 2220
Houston, TX 77252-2220

Copy To:

Kevin J. Vaughan
Exxon Mobil Corporation
3225 Gallows Road, Rm. 3D0212

Fairfax, VA 22037-0001

The level of documentation the Trustees will provide will be similar to EPA's SCORPIOS reports. ExxonMobil shall have a right to review such documentation and raise any objections to such costs within 14 days of receiving the Trustees' cost documentation. Unless it raises an objection to such costs, ExxonMobil will pay such costs and expenses up to a maximum of \$500,000.00, as provided below, within 30 days of receiving each invoice and accompanying cost documentation.

Each Trustee receiving such funds shall use the funds solely to reimburse statutorily authorized and recoverable NRD preassessment and assessment costs and expenses incurred in connection with the Spill. In accepting payments under this letter agreement, the Trustees each represent that their respective costs and expenses to which such funds will be applied are authorized by statute and have been incurred in performing statutorily authorized NRD preassessment and assessment activities pertaining to the Spill. All monies paid by ExxonMobil under this letter agreement shall be fully credited towards the alleged preassessment and assessment cost liabilities of ExxonMobil under applicable federal and state laws that permit the Trustees to recover such costs from responsible parties. The Trustees shall not seek from other sources monies paid by ExxonMobil under this letter agreement for documented costs and expenses.

This letter agreement only pertains to matters expressly identified herein, i.e. ExxonMobil payment of NRD preassessment and assessment costs up to \$500,000.00. With respect to all other matters, the United States, the State of Montana, and the Crow Tribe reserve, and this letter agreement is without prejudice to, all rights against ExxonMobil. Nothing herein shall limit ExxonMobil's alleged liability for damages for injury to, destruction of, or loss of, natural resources and for the costs of assessing and litigating any claims for natural resource damages, except to the extent ExxonMobil provides payment for documented costs and expenses of NRD preassessment and assessment costs and expenses pursuant to this letter agreement. With respect to all matters other than the \$500,000.00 of funding agreed to by ExxonMobil under this letter agreement, including without limitation ExxonMobil's right to challenge the alleged trusteeship of any entity, ExxonMobil reserves all of its rights and defenses concerning the Spill and any other matter. The Trustees agree that ExxonMobil's agreement to provide initial funding for NRD assessment and preassessment costs and expenses does not constitute an admission of fault or liability and it shall not be admissible in any proceeding for the purpose of establishing or imputing any liability to ExxonMobil, except for the limited purpose of enforcing the obligation to pay preassessment and assessment costs up to \$500,000.00.

The United States Department of the Interior, the State of Montana and the Crow Tribe shall each submit an initial invoice and cost documentation to ExxonMobil for preassessment costs incurred from July 1, 2011 through approximately August 31, 2011. Subsequent invoices shall be sent on a periodic basis for unreimbursed Trustee preassessment and assessment costs up to the \$500,000.00 reimbursement limit established by this letter agreement. Upon receipt of the initial payments from ExxonMobil for Trustee preassessment costs incurred from July 1 through approximately August 31, the Trustees will discuss a framework for negotiations with ExxonMobil to attempt to reach an agreement for a Cooperative Assessment between the parties

Kevin J. Vaughan
September 21, 2011
Page 3

should the Trustees determine that such an agreement would be beneficial in this matter.

Specific payment instructions are as follows:

U.S. Department of the Interior:

-Please make the check payable to "Department of Interior" and reference Yellowstone River Oil Spill and "NRDAR Account Number 14X5198"

-The check should be mailed to:

U.S. Department of Interior
NBC/Divisions of Financial Management Services
Branch of Accounting Operations
Mail Stop D-2777
7401 W. Mansfield Ave.
Lakewood, CO 80235

-A copy of the notification of payment and a copy of the check shall be sent to:

Ann Umphres
U.S. Department of the Interior
Office of the Solicitor
755 Parfet St. Suite 151
Lakewood, CO 80215

Bruce Nessler, Restoration Fund Manager
Office of Natural Resource Damage Assessment and Restoration
Mailstop 4449
1849 C Street, NW
Washington, D.C. 20240

State of Montana:

Agency Name on Bank Account:	State of Montana
Account Number:	156041200221
Name of Bank/Financial Institution:	US Bank NA, Montana 302 North Last Chance Gulch Helena, MT 59601
Contact persons at bank for transaction:	Terri Kuntz 406 447 5252 Kim Spiroff 406 447 5251

Kevin J. Vaughan
September 21, 2011
Page 4

Bank ABA Number: 092900383

Federal ID number for State: 81-0302402

Addendum, third party record, or similar information field: "Yellowstone Oil Spill NRDA"

State contact person for transaction: Cindy Steinmetz
Central Services Division
Department of Justice
303 North Roberts
PO Box 201404
Helena, MT 59620
(406) 444 5713
csteinmetz@mt.gov

Crow Indian Tribe:

-Please make check payable to: Crow Agency Montana

-The check should be mailed to:

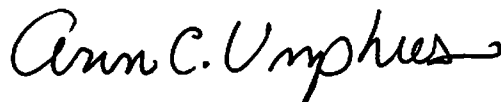
Kristin Johnson, Comptroller
P.O. Box 129
Crow Agency, Montana 59022

-A copy of the notification of payment and a copy of the check shall be sent to:

Heather Whiteman Runs Him
P.O. Box 340
Crow Agency, Montana 59022

Please confirm receipt and acceptance of this letter agreement on behalf of your client by signing in the space provided below and by returning a signed copy to me.

Sincerely,



Ann C. Umphres
Attorney Advisor
Office of the Solicitor

Kevin J. Vaughan
September 21, 2011
Page 5

Accepted and agreed to on behalf of ExxonMobil Pipeline Company.

By:  _____

Name: Kevin J. Vaughan

Title: Counsel

Date: 3 October 2011

cc:

Rob Collins, Montana Department of Justice Natural Resource Damage Program
Mary Capdeville, Montana Department of Justice Natural Resource Damage Program
Amanda Koehler SOL
James D. Freeman, U.S. Department of Justice
Heather Whiteman Runs Him, Crow Indian Tribe
Paul Meyer BLM
Andrew Archuleta BLM