

Monthly Progress Report #35
May 2007

Falcon Refinery Superfund Site
Ingleside
San Patricio County, Texas
TXD 086 278 058

Prepared for

National Oil and Recovery Corporation
3717 Bowne Street
Flushing, NY 11354

June 10, 2007

Prepared by

KLEINFELDER
3601 Manor Road
Austin, Texas 78723

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1.0 INTRODUCTION

This thirty-fifth Monthly Progress Report is submitted in accordance with the Falcon Refinery Site Administrative Orders on Consent for Removal Action and Remedial Investigation / Feasibility Study between the U.S. Environmental Protection Agency (U.S. EPA) and National Oil and Recovery Corporation (NORCO).

This Monthly Progress Report and subsequent reports will address activities associated with both of the orders.

The next monthly progress report, covering June 2007 will be submitted on or before July 10, 2007.

2.0 COMPLETED ACTIVITIES

2.1 Removal Action Activities

During the month of May approximately 150,368 gallons of liquid waste were removed and properly disposed from Tank 27. To date a total of approximately 6,172,066 gallons of hazardous waste have been removed from all of the above ground tanks and disposed of at the Texas Molecular deep well injection well.

Prior to the beginning of liquid waste disposal in October 2004, the volume of waste in the above ground storage tanks was measured at 6,844,094 gallons. Subtracting the current disposal volume indicates that there may be 672,028 gallons remaining in the tanks. However, due to holes in the tops of the tanks the volume of waste may have increased due to rainfall or may have decreased due to evaporation.

Original waste manifests are available at the Kleinfelder office in Austin. A compilation of hazardous liquid waste disposal is included as Table 1.

During the Month of May NORCO performed a second pipeline clean out and pipeline abandonment for the pipeline segment from Sunray Road to former barge dock facility. Activities, which included cutting segments out of ten pipelines, jetting out the contents of the pipelines, capping the pipelines, soil sampling and characterization, soil excavation and proper disposal, will be described in a future report that will be submitted to the EPA in June.

2.2 Remedial Investigation / Feasibility Study (RI/FS)

The Final RI/FS Work Plan, Quality Assurance Project Plan, and Field Sampling Plan were submitted to the EPA and trustees on May 11, 2007.

3.0 CHANGES MADE IN THE PLANS DURING THE REPORTING PERIOD

None this reporting period.

4.0 COMMUNITY RELATIONS

The EPA has developed a web site to display information about the Removal Action and RI/FS activities. The can be found by going to www.epaossc.net and selecting web sites, then Region 6 and then the Falcon Refinery Site.

A sign showing contact information and the website has been posted in front of the refinery.

5.0 CHANGES IN PERSONNEL DURING THE REPORTING PERIOD

None this reporting period.

6.0 LIST OF PROJECTED WORK FOR THE NEXT TWO MONTHS

6.1 Removal Action Work projected for the next two months includes:

- Continuing the removal and disposal of liquids from the storage tanks and pipelines at the anticipated rate of approximately 150,000 gallons a month;
- Continued site maintenance; and
- Submitting a pipeline clean out report for the pipeline segment from Sunray Road to the former barge dock facility.

6.2 RI/FS Work projected for the next two months includes:

- Implementing the RI/FS Work Plan, Field Sampling Plan and Quality Assurance Project Plan.

7.0 LABORATORY / MONITORING DATA

Sediment and soil sampling was performed during the pipeline cleanout operations performed during May. The results of the sampling will be provided to the EPA in June.

TABLES

Table 1
Hazardous Liquid Waste Disposal

| DISPOSAL FACILITY | ADDRESS | PHONE NO. | EPA ID NO. | CONTACT |
|--|--|--------------|--------------|------------------|
| Texas Molecular Corpus Christi Services, LP | 6901 Greenwood Dr. Corpus Christi, TX | 361-852-8284 | TXR000001016 | Robert Rodriguez |

RQ, HAZARDOUS WASTE LIQUID N.O.S., 9 , UN3082, III (D007, D008, D018)

| Month | Volume (gal) |
|--------------|------------------|
| October-04 | 53,832 |
| November-04 | 734,763 |
| December-04 | 879,158 |
| January-05 | 783,881 |
| February-05 | 551,444 |
| March-05 | 565,489 |
| April-05 | 445,107 |
| May-05 | 471,311 |
| December-05 | 42,550 |
| January-06 | 58,740 |
| February-06 | 59,140 |
| March-06 | 0 |
| April-06 | 29,371 |
| May-06 | 59,018 |
| June-06 | 97,151 |
| July-06 | 118,743 |
| August-06 | 148,509 |
| September-06 | 109,908 |
| October-06 | 86,665 |
| November-06 | 140,498 |
| December-06 | 85,813 |
| January-07 | 118,541 |
| February-07 | 107,985 |
| March-07 | 152,493 |
| April-07 | 121,588 |
| May-07 | 150,368 |
| Total | 6,172,066 |

Table 2
Metal Disposal

| DISPOSAL FACILITY | ADDRESS | PHONE NO. | EPA ID NO. | CONTACT |
|--------------------------|-------------------------------------|--------------|------------|---------|
| Commercial Metal Company | 4614 Agnes St Corpus Christi, TX | 361-884-4071 | None | David |

RECYCLED METAL

| Month | Volume (lbs) |
|--------------|---------------|
| October-04 | 0 |
| November-04 | 16,820 |
| December-04 | 19,640 |
| January-05 | 31,380 |
| February-05 | 0 |
| Total | 67,840 |

FIRE EXTINGUISHERS

| Month | Quantity |
|--------------|-----------|
| December-04 | 10 |
| Total | 10 |

Industrial Fire & Safety Co. removed 10 fire extinguishers from the job site.
The powder was disposed of properly and the metal went to salvage.

Table 3
Contaminated Soil and Oily Debris Disposal

| DISPOSAL FACILITY | ADDRESS | PHONE NO. | EPA ID NO. | CONTACT |
|-------------------------|------------------------------|--------------|--------------|----------------|
| U.S. Ecology Texas L.P. | P.O. Box 307 Robstown, TX | 361-387-3518 | TXD069452340 | Glenda Felkner |

PETROLEUM CONTAMINATED SOIL AND OILY DEBRIS

| Month | Volume (cy) |
|--------------|-------------|
| October-04 | 0 |
| November-04 | 0 |
| December-04 | 40 |
| January-05 | 0 |
| February-05 | 0 |
| Total | 40 |

RQ, HAZARDOUS WASTE SOLID, N.O.S., LEAD, 9 NA3077, PGIII (OILY SLUDGE AND SOIL)

| Month | Volume (cy) |
|--------------|-------------|
| February-05 | 15 |
| Total | 15 |

**Table 4
Oil and Filter Disposal**

| DISPOSAL FACILITY | ADDRESS | PHONE NO. | EPA ID NO. | CONTACT |
|--|---|---------------------|---------------------|-------------------------|
| Texas Molecular Corpus Christi Services, LP | 6901 Greenwood Dr Corpus Christi, TX | 361-852-8284 | TXR000001016 | Robert Rodriguez |

RECYLCED OIL AND FILTERS

| Month | Volume (gal) |
|--------------|---------------------|
| January-05 | 403 |
| February-05 | 0 |
| Total | 403 |

| DISPOSAL FACILITY | ADDRESS | PHONE NO. | EPA ID NO. | CONTACT |
|---|---|---------------------|---------------------|--------------------|
| Midstate Environmental Services, LLC | 2203 Tower Road Robstown, TX | 361-387-2171 | TXR000051227 | Lloyd Cooke |

RECYLCED OIL AND FILTERS

| Month | Volume (gal) |
|--------------|---------------------|
| January-05 | 16,651 |
| February-05 | 0 |
| Total | 16,651 |