

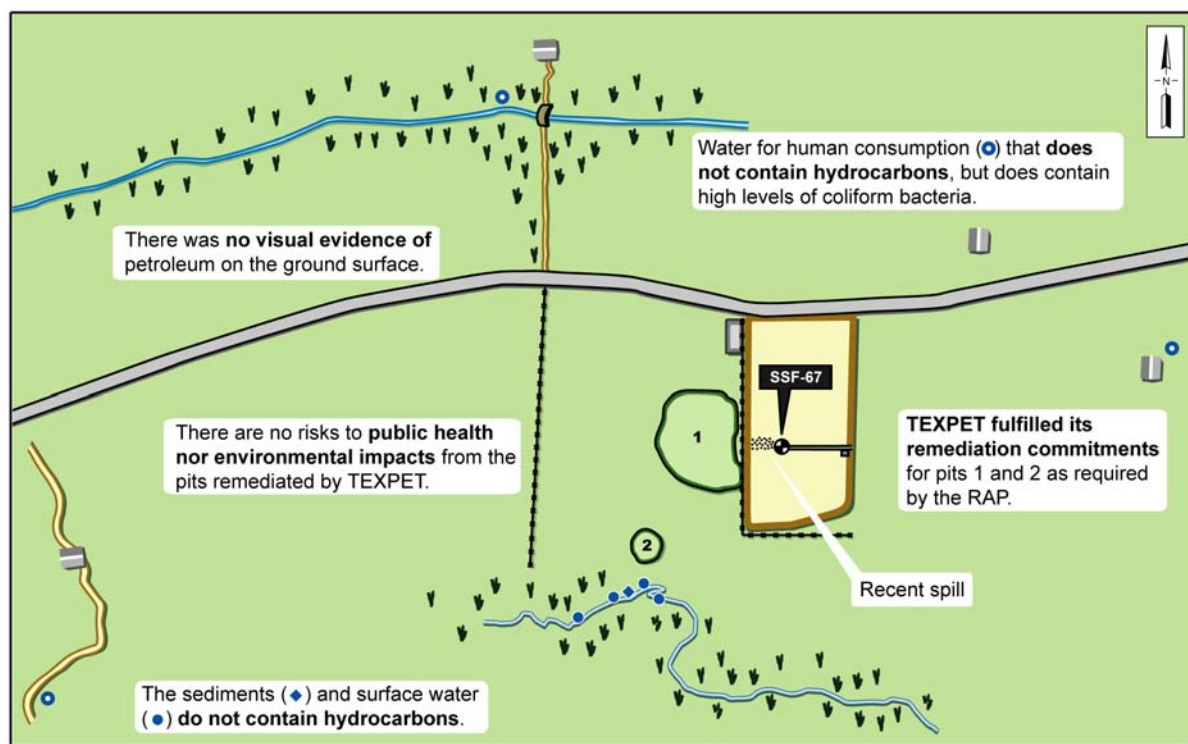
EXECUTIVE SUMMARY

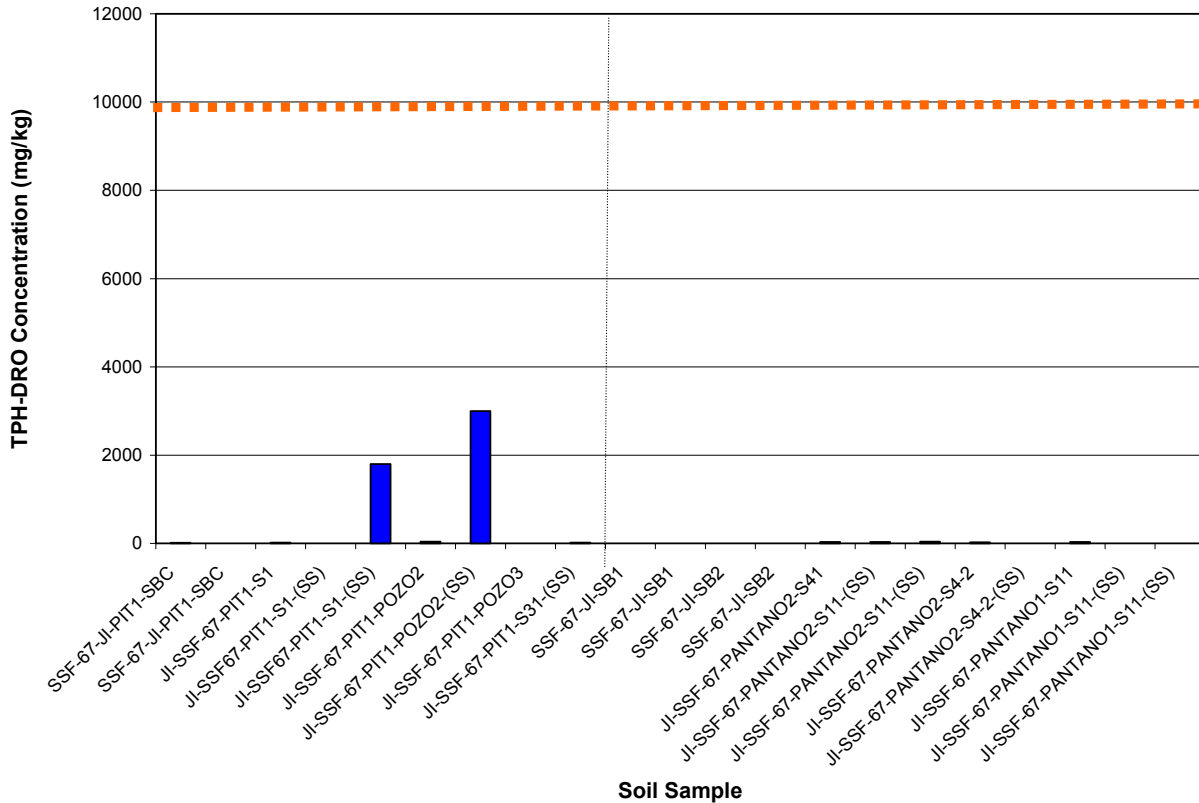
The Judicial Inspection of well SSF-67 was conducted on March 9, 2005. This Report presents a description of field activities, analytical results for soil and water samples collected during the Judicial Inspection, as well as responses to all the questions posed by the plaintiffs, the defendant and the Court.

Based on the field activities conducted during the judicial inspection and subsequent review of reports and documents related to remedial activities at Shushufindi 67, the following conclusions can be highlighted:

- 1. There are no risks to public health, animals or plants from the pits remediated by TEXPET.**
- 2. There are no risks to drinking water from crude oil.**
- 3. There was no evidence of widespread petroleum contamination in the area surrounding the Shushufindi 67 wellsite.**
- 4. TEXPET fulfilled its remediation commitments related to well Shushufindi 67.**

These conclusions are summarized in the following figures:





These conclusions are discussed below:

– **THERE ARE NO RISKS TO PUBLIC HEALTH, ANIMALS OR PLANTS FROM THE PITS REMEDIATED BY TEXPET.**

According to the analytical results for samples collected from within the remediated pits, soil that could come into contact with residents or animals does not contain concentrations of hydrocarbons, BTEX, PAH, and metals that would pose risks to public health. In addition, the analytical results also are below applicable international criteria and comply with the requirements set forth in the Remedial Action Plan (see tables 2A and 2B).

Therefore, there are no risks to public health or the environment from the pits remediated by TEXPET.

– **THERE ARE NO RISKS TO DRINKING WATER FROM CRUDE OIL**

The sample obtained from Mrs. Apolo’s water well demonstrates that groundwater does not pose risks to public health or the environment due to petroleum. Similarly, surface water samples from creeks north and west of the platform, and four surface water samples from the swamp south of the platform, do not pose risks to public health or the environment due to petroleum. Furthermore, the analytical results for all water samples are well below applicable international criteria (see tables 4 and 5), except for the microbiological analytes. Also, the analytical results indicate that metal concentrations in all water samples are below criteria established in Decree 2144. The absence of petroleum-derived compounds in the water samples proves that there are no mobile petroleum residues in the ground that could adversely impact drinking water sources.

It should be noted that all water samples contained high concentrations of total and fecal coliforms, which could cause various types of diseases in people or animals that consume the water. These diseases are not related to crude oil.

– **THERE WAS NO EVIDENCE OF WIDESPREAD PETROLEUM CONTAMINATION IN THE AREA SURROUNDING THE SHUSHUFINDI 67 WELLSITE**

The analytical results for soil, surface water and groundwater samples collected outside the TEXPET remediated areas prove that the concentrations of petroleum-derived constituents (e.g., PAH, BTEX) and metals are below laboratory detection limits or well below applicable international criteria (see Appendix J). These data confirm observations made during site reconnaissance activities at the Shushufindi 67 wellsite and surroundings: there was no visual evidence of impacts to soils, surface water, groundwater or sediment. There also was no evidence of formation water and/or crude oil discharges to the surroundings or the neighboring water bodies.

However, a recent spill was observed between the wellhead and a drainage channel on the western edge of the platform. It is recommended that the parties responsible for well operations conduct the necessary studies to assess whether this area should be remediated.

– **TEXPET FULFILLED ITS REMEDIATION COMMITMENTS RELATED TO WELL SHUSHUFINDI 67**

According to the reference information reviewed and the analytical results provided by an internationally certified laboratory for samples collected, TEXPET closed the pits in accordance with the criteria and specifications agreed upon with the Government of Ecuador and Petroecuador, and with applicable international criteria for metals, BTEX and PAHs.

The conclusions presented above also are based on the following:

- The traces of degraded hydrocarbons found in the ground do not pose a risk to human health, animals or vegetation.
- There is no release or discharge of crude oil migration from the remediated area to groundwater.
- The remediated pit has a surface cover of at least 2.4 m over the remediated soil (see Figure 8).
- The traces of degraded crude oil found in the subsurface do not have the potential to migrate because its residual saturation is well below the concentration required for migration to occur.
- The solubility of degraded crude oil in water is extremely low; therefore, it has not caused an impact to water sources.
- Conservative hydrocarbon volatilization estimates indicate that the volatile fractions have been degraded and that calculated concentrations are minimal.
- The risk evaluations conducted to investigate the exposure routes for the traces of hydrocarbons indicate that:
 - *There is no direct exposure.*
 - *There is no exposure from ingesting surface water or groundwater.*

- *There is no exposure from inhalation of soil vapor.*
- The drinking water sources in the areas surrounding the Shushufindi 67 pits included a drinking water well approximately 200 m northeast of the wellhead and creeks/swamps north and south of the wellhead (see Figure 5). The concentrations of BTEX, PAHs, and metals were below detection limits or well below criteria recommended by WHO and USEPA (see tables 3A and 3B).