Memorandum: Rep. McGovern CODEL to Ecuador: Oil-Contaminated Communities Summary – November 9 - 10, 2008

This memorandum presents summary information on the sites visited during the two-day (November 9 and 10, 2008) Congressional Delegation trip to the oilfields in the Napo Concession, Ecuador.

Two types of oil contamination sites were visited:

- * Oil wells: Texaco installed 356 oil wells in the region during its period of operations (1964-1990) covering an area roughly the size of Rhode Island. Each of these sites include the well, abandoned waste pits, spills around the well and waste pits, and other areas of contamination around the well.
- * Processing stations: Crude oil from the wells was fed via pipelines to one of 22 processing stations built and operated by Texaco that were strategically located on high ground near rivers and streams. At the stations, the crude oil was separated from the toxic "formation waters" which were then dumped (more than 18 billion gallons) directly into waterways. Separately, gases (which also contain toxins) were burned into the atmosphere with no controls.

The attached map on the final page shows the locations we visited, numbered according to the numbers in this memorandum.

SUNDAY NOVEMBER 9, 2008

1. Oil Well Site Yuca 4

Oil Well Site Yuca 4:

Years of oil well operation 1979 to recent Oil well installed by Texaco Oil well operated by Texaco until 1990; Petroecuador thereafter Site cleaned up by Texaco in 1990s? No

At this site, we visited a relatively small open pit with standing water and oil in the pit soils. We also spoke with a farmer who had lived near the well site and pits for many years and has lost many head of cattle because of the contamination in the pits.





2. Oil Well Site Yuca 5 (incorrectly marked as "Yuca 2")

Oil Well Site Yuca 5

Years of oil well operation 1979 to 1987 Oil well installed by Texaco Oil well operated by Texaco Site cleaned up by Texaco in 1990s? No

At this oil well site we saw a pit where Petroecuador has been conducting cleanup operations for at least one year using very primitive methods. The operation consists of skimming off oil that floats to the top of water that is added to the pit. We also saw the pipe built into the side of the pit that discharged pit contents into the rainforest, and followed the flow of oil and contaminated soils from the pit outlet toward the nearby stream.



3. Processing Station Sacha Sur

We visited with Maria Garafola, who lives in San Carlos across the road from the Sacha Sur processing station. She and her daughter both suffer from cancer. We also inspected the small stream behind her house where Texaco dumped formation water and oil from the processing station. Oil was evident in the stream and stream banks a few centimeters beneath the surface.



4. Meeting in San Carlos

We met with residents of San Carlos, a town located in the middle of the Sacha oil field, who suffer from health problems related to the oilfield operations. We also visited the local health clinic and heard directly from Rosa Moreno, a nurse who has worked in San Carlos for over 20 years.



5. Processing Station Sacha Central

At this large processing station, we saw the cascade of waste pits and the large pipes that were used by Texaco to dump billions of gallons of formation water into the nearby stream. Petroecuador now reinjects formation water back into the underground formation, and no longer dumps the formation water into the stream.



MONDAY, NOVEMBER 10. 2008

6. Oil Well Site Shushufindi 38

Oil Well Site Shushufindi 38

Years of oil well operation 1975 to 1984 Oil well installed by Texaco Oil well operated by Texaco Site cleaned up by Texaco in 1990s? No This site includes two pits, one relatively large, immediately behind the house of the Salinas family. Petroecuador is currently conducting some cleanup actions at the larger pit, which is an open pit covered in oil. This site was sampled by the plaintiffs and by Chevron during the trial's Judicial Inspections. The plaintiffs reported high contamination with petroleum, whereas all of Chevron's samples were non-detect for petroleum contamination.



7. Oil Well Site Shushufindi 61

This well site has an open oil pit that was not cleaned up by Texaco. This site was investigated by the Court Expert during the trial, and he found high petroleum contamination around the pit and along the stream into which the pit drains.

Oil Well Site Shushufindi 61

Years of oil well operation 1977 to present Oil well installed by Texaco Oil well operated by Texaco until 1990; Petroecuador thereafter Site cleaned up by Texaco in 1990s? No



8. Oil Well Site Lago Agrio 5

Oil Well Site Lago Agrio 5

Years of oil well operation 1970 to 1972 Oil well installed by Texaco Oil well operated by Texaco Site cleaned up by Texaco in 1990s? Yes This site had two pits that Texaco was required to remediate as part of its clean-up agreement with Ecuador's government. When Texaco conducted its cleanup, the company claimed that one pit had water in it that was "being used by the local community" and therefore concluded that the pit was clean and did not require cleanup. Sampling by the Court Expert during the Lago Agrio trial showed that the soils at this pit contained up to 20,923 parts per million total petroleum hydrocarbons (TPH), which is much higher than the common U.S. state standard of 100 ppm TPH, and greater than the Ecuadorian standard of 1,000 ppm TPH. Even though Texaco took no action at the pit, it was certified as "remediated" to Ecuador's government.

The second pit also was purportedly "remediated" by Texaco. We used a hand auger to collect soil from just beneath the surface of the pit, and the soil was obviously still contaminated with oil (by sight and smell). The Court Expert sampled this pit and found TPH about 90 times higher than U.S. norms and 9 times higher than Ecuadorian norms. We walked from the drainage pipe built into the side of the pit down to a small wetland where the pit drainage collects and then flows to an adjacent stream.

9. The Community of Dureño

The visit concluded with a canoe trip across the Aguarico River to visit the Cofán village of Dureño. The Cofán are one of seven indigenous nationalities in Ecuador's Amazon. Dureño was established by Cofán who were displaced from the Lago Agrio area by Texaco's oil operations. The Cofán have lost roughly 95% of their ancestral land in the last four decades due to oil development. Leaders of the tribe, including Emergildo Crillo, described the impacts to the tribe stemming from Texaco's practices.





