

November 15, 2006

ExxonMobil
Attn: General Counsel's Office
5959 Las Colinas Boulevard
Irving, Texas 75039-2298

Dear General Counsel of Exxon Mobil:

The Project On Government Oversight (POGO) is overhauling and renewing its Federal Contractor Misconduct Database (www.pogo.org/db/index.cfm), a compilation of information from public resources regarding government contractors, including ExxonMobil. On March 6, 2006, we sent you information regarding findings relevant to ExxonMobil, which I have enclosed for your reference. As of today, we have not received a response from your office.

A written response is certainly in the best interest of everyone involved. It is the best way for your company to go on record regarding this process and the instances identified; your letter will be posted in its entirety on the database. Several companies have already responded and have expressed appreciation for the opportunity to express their views. POGO would prefer to receive a response by November 30, 2006 to ensure it is included with the launch of our new database.

If you have any questions, I can be reached at (202) 347-1122. Thank you for your time and consideration.

Sincerely,

Scott Amey
General Counsel

Enclosure

Instances

1.

Santa Clara Oil Spill

Date: 09/24/2002 (date of settlement)

Misconduct Type: Environment

Contracting Party: Government Civilian

Court Type: Civil

Amount: \$4,700,000

Disposition: Settlement

Synopsis: "The U.S. Department of Justice, together with the U.S. Fish and Wildlife Service, the U.S. Environmental Protection Agency and the California Department of Fish and Game,...announced a settlement under which ExxonMobil Oil Corporation [paid] the United States and the state of California \$4.7 million in compensation for a spill of crude oil from a pipeline operated by the former Mobil Oil Company."

Document(s):

1. DOJ Press Release
2. EPA Press Release
3. Consent Decree

2.

Exxon Dealers Class Action

Date: 12/19/2005 (date of settlement)

Misconduct Type: Non-governmental Contract Fraud

Contracting Party: Non-Governmental

Court Type: Civil

Amount: \$1,075,000,000

Disposition: Settlement

Synopsis: "In 1991, a group of current and former Exxon direct served dealers filed a lawsuit against Exxon. The dealers alleged that Exxon had been overcharging all of its direct served dealers for the wholesale price of motor fuel since March 1983. The dealers filed the claim as a class action, meaning that it was on behalf of all dealers who were parties to one or more Sales Agreements with Exxon and who purchased motor fuel directly from Exxon (direct served dealers) between March 1983 and August 1994."

"The claim relates to Exxon's Discount for Cash (DFC) program, which Exxon implemented in August 1982. Under this program, Exxon began charging dealers a separate 3% fee for processing credit transactions. Exxon said, however, that it would reduce the wholesale price of motor fuel by an amount that, on average, would offset the fee. In the lawsuit, the dealers alleged that Exxon collected the fee, but failed to reduce the wholesale price of motor fuel."

"On December 19, 2005, Exxon and Class counsel entered into a settlement agreement pursuant to which Exxon has agreed to pay \$1,075,000,000 (\$1.075 billion) in settlement of all claims and issues in the case."

Document(s):

1. Notice of Preliminary Settlement Approval

3.

Oil Royalties

Date: 01/08/2001 (date of settlement)

Misconduct Type: Government Contract Fraud

Contracting Party: Government Civilian

Court Type: Civil

Amount: \$7,000,000

Disposition: Settlement

Synopsis: "Exxon Mobil Corporation...agreed to pay \$7 million to resolve claims under the False Claims Act [31 U.S.C. § 3729] and administrative claims that the corporation underpaid royalties due for oil produced on federal leases between 1988 and 1998."

Document(s):

1. DOJ Press Release

4.

Exxon Valdez Class Action

Date: 01/28/2004 (Date of Decision)

Misconduct Type: Environment

Contracting Party: Non-Governmental

Court Type: Civil

Amount: \$4,500,000,000

Disposition: Judgement against Defendant

Synopsis: "On September 24, 1996, the United States District Court for the District of Alaska entered a judgment in the amount of \$5 billion in punitive damages to a class composed of all persons and entities who asserted claims for punitive damages from the corporation as a result of the Exxon Valdez grounding. ExxonMobil appealed the judgment. On November 7, 2001, the United States Court of Appeals for the Ninth Circuit vacated the punitive damage award as being excessive under the Constitution and remanded the case to the District Court for it to determine the amount of the punitive damage award consistent with the Ninth Circuit's holding. The Ninth Circuit upheld the compensatory damage award which has been paid. On December 6, 2002, the District Court reduced the punitive damage award from \$5 billion to \$4 billion. Both the plaintiffs and ExxonMobil appealed that decision to the Ninth Circuit. The Ninth Circuit panel vacated the District Court's \$4 billion punitive damage award without argument and sent the

case back for the District Court to reconsider in light of the recent U.S. Supreme Court decision in *Campbell v. State Farm*. On January 28, 2004, the District Court reinstated the punitive damage award at \$4.5 billion plus interest."

Document(s):

1. SEC 10-K

5.

Texas Environmental Notice of Enforcement

Date: 02/21/2004 (Date of Agreement)

Misconduct Type: Environment

Contracting Party: Government Civilian

Court Type: Administrative

Amount: \$150,000

Disposition: Administrative Agreement

Synopsis: "Texas Commission on Environmental Quality ("TCEQ") issued Notices of Enforcement to [Exxon Mobil Corporation (EMOC)] with respect to its Beaumont, Texas refinery on May 21, 2002 and on August 22, 2002. The TCEQ alleged violations of Texas Air Quality regulations relating to leak detection and repair issues. EMOC entered into a final administrative order with the TCEQ, resolving all outstanding issues in this matter, on February 21, 2004. Under the order, EMOC has paid a \$75,000 penalty to the TCEQ and has paid \$75,000 to Jefferson County, Texas for a supplemental environmental project."

Document(s):

1. SEC 10-K

6.

Texas Environmental Notice of Enforcement

Date: 02/03/2004 (Date of Agreement)

Misconduct Type: Environment

Contracting Party: Government Civilian

Court Type: Administrative

Amount: \$4,800

Disposition: Administrative Agreement

Synopsis: The Texas Commission on Environmental Quality (TCEQ) "issued a Notice of Enforcement on June 25, 2003, alleging leak detection and repair violations and failure to submit deviation reports required by a permit. The allegations relate to Colonial Tank Farm, which is operated by [Exxon Mobil's (EMOC)] Beaumont refinery under an agreement with Colonial Pipeline. EMOC entered into an administrative order with the TCEQ on February 3, 2004

whereby EMOC has agreed to pay a civil penalty in the amount of \$4,800 to resolve this matter."

Document(s):

1. SEC 10-K

7.

Texas Environmental Notice of Enforcement

Date: 08/29/2003 (Date of Notice)

Misconduct Type: Environment

Contracting Party: Government Civilian

Court Type: Administrative

Amount: \$80,444

Disposition: Administrative Agreement

Synopsis: The "Texas Commission on Environmental Quality ("TCEQ")... agreed to settle a Notice of Enforcement issued on August 29, 2003, alleging leak detection and repair violations and inadequate notifications of several emissions events as required by air quality regulations at ExxonMobil Oil Corporation's ("EMOC") Beaumont, Texas refinery. Under the terms of the settlement, EMOC has agreed to pay a civil penalty totaling \$80,444, half of which will be paid through a supplemental environmental project involving county vehicle retrofits."

Document(s):

1. SEC 10-K

8.

Exxon Corp. v. Alabama (Oil Royalties)

Date: 05/12/2005 (Date of Decision)

Misconduct Type: Non-governmental Contract Fraud

Contracting Party: Non-Governmental

Court Type: Civil

Amount: \$3,563,500,000

Disposition: Judgement against Defendant

Synopsis: "In December 2000, a jury in the 15th Judicial Circuit Court of Montgomery County, Alabama, returned a verdict against the Corporation in a dispute over royalties in the amount of \$88 million in compensatory damages and \$3.4 billion in punitive damages in the case of Exxon Corporation v. State of Alabama, et al. The verdict was upheld by the trial court in May 2001. In December 2002, the Alabama Supreme Court vacated the \$3.5 billion jury verdict. The case was retried and in November 2003, a state district court jury in Montgomery, Alabama, returned a verdict against Exxon Mobil Corporation. The verdict included \$63.5 million in compensatory damages and \$11.8 billion in punitive damages. In March 2004, the district court judge reduced

the amount of punitive damages to \$3.5 billion."

Document(s):

1. SEC 10-K

9.

Grefer (Contaminated Property)

Date: 04/01/2005 (Date of Press Release)

Misconduct Type: Environment

Contracting Party: Non-Governmental

Court Type: Civil

Amount: \$168,000,000

Disposition: Judgement against Defendant

Synopsis: In 2001, a Louisiana state court jury awarded compensatory damages of \$56 million and punitive damages of \$1 billion to a landowner for damage caused by a third party that leased the property from the landowner. The third party provided pipe cleaning and storage services for the Corporation and other entities. The Louisiana Fourth Circuit Court of Appeals reduced the punitive damage award to \$112 million in 2005.

Document(s):

1. Exxon Mobil Press Release
2. SEC 10-K

10.

Hazardous Waste

Date: 12/13/2001 (date of settlement)

Misconduct Type: Environment

Contracting Party: Government Civilian

Court Type: Civil

Amount: \$11,200,000

Disposition: Settlement

Synopsis:

"United States Attorney for the Eastern District of New York and the United States Environmental Protection Agency (EPA) Region 2,... announced one of the largest hazardous waste settlements in history, with the filing of a Consent Decree, settling a hazardous waste case filed in 1996 against Mobil Oil Corporation. The case alleged mismanagement of benzene-contaminated wastes at Port Mobil, a major petroleum product storage and distribution terminal on the Arthur Kill in Staten Island. United States v. Mobil Oil Corporation, 96-1432 (JG). The case was scheduled for trial this week before United States District Judge John Gleeson. The Consent Decree is with Exxon Mobil Corporation, as a result of the 1999 merger

of Mobil and Exxon."

Document(s):

1. EPA Press Release

11.

Massachusetts Clean Up Violation

Date: 10/19/2005 (Date of Fine)

Misconduct Type: Environment

Contracting Party: Government Civilian

Court Type: Administrative

Amount: \$43,984

Disposition: Fine

Synopsis: The Massachusetts Department of Environmental Protection (MassDEP) has assessed a penalty of \$43,984 against the ExxonMobil Oil Corporation for the company's failure to undertake cleanup actions in compliance with environmental regulations at the former Exxon Service Station location at 6 Goffe Street, Hadley.

Document(s):

1. Massachusetts Press Release

12.

Clean Air Act Violation

Date: 10/11/2005 (Date of Agreement)

Misconduct Type: Environment

Contracting Party: Government Civilian

Court Type: Administrative

Amount: \$7,700,000

Disposition: Administrative Agreement

Synopsis:

A "Consent Decree in United States et al. v. Exxon Mobil Corporation and ExxonMobil Oil Corporation, Civil Action No. O5-C-5809, was lodged with the United States District Court for the Northern District of Illinois. In a complaint that was filed simultaneously with the Consent Decree, the United States, the State of Illinois, the State of Louisiana, and the State of Montana sought injunctive relief and penalties against Exxon Mobil Corporation and ExxonMobil Oil Corporation ("ExxonMobil") pursuant to Sections 113(b) and 304(a) of the Clean Air Act, 42 U.S.C. 7413(b) and 7604(a), for alleged Clean Air Act violations and violations of the corollary provisions in state laws at ExxonMobil petroleum refineries in Baton Rouge, Louisiana; Baytown, Texas; Beaumont, Texas; Billings, Montana; Joliet, Illinois, and Torrance, California."

Document(s):

1. EPA Press Release
2. Consent Decree

13.

Unregistered Tanks in Pennsylvania

Date: 10/29/1999 (date of settlement)

Misconduct Type: Environment

Contracting Party: Government Civilian

Court Type: Administrative

Amount: \$90,000

Disposition: Settlement

Synopsis:

On October 29, 1999, the Pennsylvania Department of Environmental Protection (the "PDEP") [alleged] that Mobil Oil Corporation had violated the Pennsylvania Tank Act by knowingly delivering products into unregistered tanks, was settled. The PDEP had sought penalties of up to \$295,000; the matter was settled with the payment of a \$90,000 penalty.

Document(s):

1. SEC 10-K

14.

Unauthorized Re-Exports to Sudan

Date: 08/09/2005 (Date of Settlement)

Misconduct Type: Import/Export

Contracting Party: N/A

Court Type: Civil

Amount: \$49,500

Disposition: Settlement

Synopsis: "The U.S. Department of Commerce announced that ExxonMobil Corporation of Fairfax, Va., agreed to pay civil penalties totaling \$49,500 to settle charges that affiliates of the former Mobil Oil Corporation, located in Texas, the United Kingdom, and Egypt participated in or were otherwise liable for the unauthorized re-export of computers and related hardware to Sudan. These exports were made in violation of the Export Administration Regulations (EAR) and a trade embargo in place since 1997...The Commerce Department's Bureau of Industry and Security (BIS) charged that on three occasions between June 1999 and February 2000, Mobil Services Company Ltd. and Mobil Oil Egypt caused the re-export of computer servers and laptop computers to a Mobil Oil subsidiary in Sudan without the required export licenses."

Document(s):

1. DOC Press Release

15.

DPP v. Esso Australia Party Ltd.

Date: 07/30/2001 (Date of Verdict)

Misconduct Type: Labor

Contracting Party: N/A

Court Type: Criminal

Amount: \$2,000,000

Disposition: Found Guilty

Synopsis: In 1998 an explosion at a plant owned by Esso, a subsidiary of Exxon Mobil killed two and wounded eight. The Australian Supreme Court ruling in "DPP v Esso Australia Pty Ltd has imposed fines of \$2 million on Esso after the company was found guilty of 11 criminal charges brought under the Occupational Health and Safety Act 1985.. On 30 July 2001, Justice Cummins imposed \$2 million in penalties against the company for fundamental failures to protect and train its workers.

Document(s):

1. FindLaw Article
2. BBC Story

16.

MTBE Cleanup Costs

Date: 02/16/2005 (Date of Settlement)

Misconduct Type: Environment

Contracting Party: N/A

Court Type: Civil

Amount: \$1,500,000

Disposition: Settlement

Synopsis: "Under the terms of a settlement filed...in federal court, several oil companies will pay \$1.5 million to the Environmental Protection Agency for costs it incurred while directing the investigation and cleanup of methyl tertiary butyl ether (MTBE), a gasoline additive, from a groundwater basin formerly used for drinking water by the City of Santa Monica, California... The agreement between the EPA and the oil companies follows eight years of investigation and cleanup under the Federal Resource Conservation and Recovery Act and California's Porter Cologne Act. The MTBE contamination in the vicinity of Santa Monica's drinking water wells came from at least 25 possible sources, most of which were gas stations in the Charnock Sub-Basin."

Document(s):

1. DOJ Press Release

2. EPA Press Release

17.

Air Pollution Violations

Date: 08/18/2005 (Date of Settlement Agreement)

Misconduct Type: Environment

Contracting Party: N/A

Court Type: Administrative

Amount: \$281,846

Disposition: Settlement

Synopsis: On August 18, 2005, the Will County State's Attorney's office in Illinois announced that local environmental projects would receive \$110,000 "as part of a settlement agreement reached with ExxonMobil regarding alleged air pollution violations at the oil company's refinery located southwest of Joliet, in Channahon Township...In addition, ExxonMobil will pay \$150,000 to the Illinois Environmental Protection Trust Fund and \$21,846 to the Illinois Environmental Protection Agency (IEPA) for costs incurred during the investigation and clean-up."

Document(s):

1. IL Attorney General Press Release

18.

Air Quality Violations

Date: 09/02/2004 (Date of Settlement)

Misconduct Type: Environment

Contracting Party: N/A

Court Type: Administrative

Amount: \$8,250,000

Disposition: Settlement

Synopsis: "In one of the region's largest air pollution penalties, ExxonMobil Oil Corp. paid \$8.25 million...to the South Coast Air Quality Management District to settle numerous air quality violations at the company's Torrance refinery and Terminal Island facility...Most of the ExxonMobil violations were for improper inspection and maintenance of large, above-ground tanks used to store gasoline and other petroleum-based liquids; and for leaks of smog-forming volatile organic compounds from those tanks and other equipment."

Document(s):

1. AQMD Press Release

19.

Violations of Clean Water Act

Date: 01/09/2006 (Date of Consent Agreement)

Misconduct Type: Environment

Contracting Party: N/A

Court Type: Administrative

Amount: \$31,000

Disposition: Settlement

Synopsis: On January 9, 2006, Exxon Mobil and the Environmental Protection Agency (EPA) agreed to settle a complaint that “alleged violations of the Clean Water Act at Hawkins Field (in Wood County, Texas) related to 13 spills of produced water into potential waters of the United States occurring June 2000 to August 2004. The Corporation has agreed to pay a \$31,000 civil penalty and to perform a supplemental environmental project valued at \$91,000 relating to enhanced detection of upset conditions at the Hawkins Field.”

Document(s):

1. SEC 10-K

20.

Violations of Air Quality Regulations

Date: 05/24/2005 (Date of Penalty Notice)

Misconduct Type: Environment

Contracting Party: N/A

Court Type: Administrative

Amount: \$4,000

Disposition: Settlement

Synopsis: On May 24, 2005, the Louisiana Department of Environmental Quality issued a Notice of Potential Penalty found several violations of the Environmental Quality Act, and, more specifically, air quality regulations. These violations included several 2004 incidents which discharged harmful chemicals into the air. Without admitting liability, Exxon agreed to pay \$4000 to settle the claims.

Document(s):

1. Settlement

21.

Violations of Air Quality Safety Standards

Date: 11/22/2002 (Date of Penalty Notice)
Misconduct Type: Environment
Contracting Party: N/A
Court Type: Administrative
Amount: \$350,000
Disposition: Settlement

Synopsis: On November 22, 2002, the Louisiana Department of Environmental Quality issued a Notice of Potential Penalty for safety violations which led to the unauthorized release of several hazardous chemicals. Without admitting liability, Exxon agreed to pay \$350,000, \$250,000 of which will go to performing beneficial environmental projects.

Document(s):

1. Settlement

22.

Violations of Underground Tank Systems Standards

Date: 11/29/2001 (Date of Consent Decree)

Misconduct Type: Environment

Contracting Party: N/A

Court Type: Administrative

Amount: \$245,000

Disposition: Administrative Agreement

Synopsis: "The Department of Environmental Protection entered into an administrative consent order with ExxonMobil Corporation ("ExxonMobil") on November 29, 2001 for alleged underground storage tank violations at the ExxonMobil facility abutting Interstate-95 in Madison...One or more of the tank systems allegedly leaked an estimated 5,775 gallons of unleaded gasoline or petroleum products to the ground. ExxonMobil allegedly failed to timely report the release and immediately investigate and correct its source. Prior to the issuance of this consent order ExxonMobil thoroughly emptied, removed and replaced the four underground tank systems at the site...The consent order requires ExxonMobil to fund an informational campaign designed to heighten public awareness of underground storage tank leak detection requirements in the amount of \$150,000 as a supplemental environmental project and pay a civil penalty of \$95,000"

Document(s):

1. Connecticut Press Release

Pending

1.

Responsibility for Hurricane Katrina Devastation

Date: 09/23/2005 (Date of Filing)

Misconduct Type: Environment

Contracting Party: N/A

Court Type: Civil

Amount: \$0

Disposition: Pending

Synopsis: “A lawsuit filed in the wake of Hurricane Katrina blames oil companies for destroying coastal marshes that could have protected New Orleans from the massive tidal surge... Named as defendants are Exxon Mobil Corp, Chevron, Shell Oil, BP PLC, and several exploration and pipeline companies. It alleges 'that the major oil companies' oil, gas and pipeline exploration and drilling activities throughout southeast Louisiana resulted in ecological damages to such an extent that coastal marshes were destroyed which previously had protected New Orleans naturally from Katrina level hurricane force winds and tidal surges,' the lawyers said in a statement.”

Document(s):

1. Forbes Article

2.

Use of Unknown Injury Provision from Previous Settlement Agreement

Date: 06/01/2006 (Date of Plan Submission)

Misconduct Type: Environment

Contracting Party: N/A

Court Type: Civil

Amount: \$92,000,000

Disposition: Pending

Synopsis: “The United States and the State of Alaska submitted to ExxonMobil Corporation a detailed plan for a proposed restoration project intended to restore habitat in the area affected by the 1989 Exxon Valdez oil spill. Today’s restoration plan was submitted in accord with the requirements of a set of provisions known as the “Reopener for Unknown Injury” in the consent decree which settled the governments’ civil claims against Exxon Corporation (now ExxonMobil), the Exxon Shipping Company and the Exxon Pipeline Company arising from the spill....At the time of the settlement, Exxon agreed to pay the governments \$900 million in installments for costs and for natural resource damages known or reasonably anticipated at the time of the settlement. The settlement also included a unique provision allowing the federal and state trustees to seek up to \$100 million in additional monies for damages satisfying [certain] criteria...The ultimate cost of the project depends upon such factors as how many oiled sites require remediation and the remediation approach selected. It is currently estimated to cost approximately \$92 million.”

3.

Groundwater and Soil Contamination

Date: 06/21/2006 (Date of First Legal Action)

Misconduct Type: Environment

Contracting Party: N/A

Court Type: Civil

Amount: \$0

Disposition: Pending

Synopsis: On June 21, 2006, the New York State Department of Environmental Conservation (DEC) announced that it "has agreed to initiate legal action against ExxonMobil Corporation to ensure that the company fulfills its obligation to clean up petroleum contamination in the Greenpoint, Brooklyn community. The contamination was caused by a number of oil spills and illegal discharges, including a 17 million gallon oil spill first detected in September 1978 that extended 52 acres under the Greenpoint area...The Greenpoint spill consists of groundwater contamination in the area between Monitor Street and Kingsland Avenue, just south of Greenpoint Avenue, and extending southeast to the vicinity of the Brooklyn-Queens Expressway. The area also has residual petroleum contamination in soil and fill materials. DEC is currently monitoring petroleum product recovery operations as part of a 1990 consent order with ExxonMobil. To date, more than 9 million gallons of oil have been recovered in the plume area, with progress ongoing."

Document(s):

1. New York DEC Press Release