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U. S. DISTRICT COURT
WESTERN DISTRICT OF LOUISIANA
FILED

MAR 29 1996

ROBERT H. SHEMWELL, CLERK
BY _____ DEPUTY

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF LOUISIANA
SHREVEPORT DIVISION

CRYSTAL OIL COMPANY AND CRYSTAL EXPLORATION AND PRODUCTION COMPANY,	§	CASE NO. CV95-2115
Plaintiffs,	§	
vs.	§	JUDGE STAGG
ATLANTIC RICHFIELD COMPANY,	§	
Defendant.	§	MAGISTRATE JUDGE PAYNE

ORIGINAL ANSWER OF CRYSTAL OIL COMPANY AND CRYSTAL EXPLORATION AND PRODUCTION COMPANY TO COUNTERCLAIM OF DEFENDANT ATLANTIC RICHFIELD COMPANY

Plaintiffs, Crystal Oil Company ("Crystal") and Crystal Exploration and Production Company ("CEPCO") answer the counterclaim (the "Counterclaim") of defendant Atlantic Richfield Company ("ARCO") as follows:

1. The allegations of paragraph 1 of the Counterclaim are admitted.

2. With respect to paragraph 2, it is admitted that this Court has subject matter jurisdiction of the Counterclaim. Whether the Counterclaim is a compulsory counterclaim or falls under the concept of ancillary jurisdiction is a legal question that requires no answer; to the extent an answer may be required, such allegations are denied.

3. With respect to paragraph 3 of the Counterclaim, it is admitted that ARCO has been named a defendant herein and that the Counterclaim arises out of the transaction, occurrences, and circumstances set forth in Plaintiff's Complaint.

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4. With respect to paragraph 4 of the Counterclaim, it is admitted that CEPCO owned and operated mines and related operations and facilities in or near Rico, Colorado. The allegations of paragraph 4 are otherwise denied. It is specifically denied that Crystal owned or operated mines or related operations and facilities in or near Rico, Colorado.

5. With respect to the allegations of paragraph 5 of the Counterclaim, it is admitted that ARCO has incurred response costs at the Rico facilities but denied that same are necessary and consistent with the National Contingency Plan.

6. The allegations of paragraph 6 of the Counterclaim are denied.

7. With respect to the allegations of paragraph 7 of the Counterclaim, it is admitted that ARCO seeks a judgment as alleged but denied that ARCO is entitled to any judgment or recovery against plaintiffs.

8. The allegations of paragraph 8 of the Counterclaim are denied.

9. With respect to paragraph 9 of the Counterclaim, it is admitted that ARCO seeks a judgment as alleged but denied that ARCO is entitled to any judgment whatsoever against plaintiffs.

10. The allegations of the prayer of the Counterclaim are denied.

AFFIRMATIVE DEFENSES

First Defense

Any and all claims that ARCO may have or may have had against Crystal for the alleged releases at the Rico Area mining sites were discharged in Bankruptcy.

Second Defense

ARCO fails to state a claim upon which relief can be granted.

Third Defense

ARCO's claims are barred by the doctrine of estoppel, waiver, laches and unclean hands.

Fourth Defense

Crystal is not a person under Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. § 9607, against which a claim for relief can be asserted or granted.

Fifth Defense

The costs incurred or to be incurred by ARCO are not necessary and therefore many not be recovered from Crystal or CEPCO pursuant to 42 U.S.C. § 9607.

Sixth Defense

The costs incurred or to be incurred by ARCO are inconsistent with the National Contingency Plan and therefore many not be recovered from Crystal or CEPCO pursuant to 42 U.S.C. § 9607.

Seventh Defense

ARCO's claims are barred insofar as ARCO seeks to recover costs, expenses, and damages other than response costs, as such term is defined by Section 101(23), (24), and (25) of CERCLA, 42 U.S.C. § 9601(23), (24), and (25).

Eighth

ARCO assumed by contract all liabilities under CERCLA.

Ninth Defense

The actual or threatened release of hazardous substances alleged in the counterclaim, if any are found to exist, were caused solely by the acts or omissions of third parties over whom counter-defendants Crystal and CEPCO had no control, and who were not employees or agents of counter-defendants.

Tenth Defense

All or a portion of ARCO's claims are barred by the statute of limitations.

WHEREFORE, Plaintiffs, Crystal Oil Company and Crystal Exploration and Production Company ask that the Atlantic Richfield Company take nothing by its Counterclaim and that plaintiffs be awarded their costs and such other and further relief to which they may show themselves justly entitled.

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CERTIFICATE OF SERVICE

In compliance with the Federal Rules of Civil Procedure, this pleading was served on the following counsel of record by First Class U.S. Mail on March 29, 1996 at the addresses indicated:

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