IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re	:	Chapter 11
CARIBBEAN PETROLEUM CORP., et al.[1]	:	Case No. 10-12553 (KG)
Debtors.	:	Jointly Administered

STIPULATION AND ORDER REGARDING DEBTORS' MOTIONS TO ABANDON AND SELL CERTAIN STORAGE TANKS AND RELATED EQUIPMENT

This stipulation ("Stipulation") is entered into by and among Caribbean Petroleum Corporation, Caribbean Petroleum Refining L.P., and Gulf Petroleum Refining (Puerto Rico) Corporation, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "Debtors"), the United States, on behalf of the Environmental Protection Agency ("EPA"), the Puerto Rico Department of Justice on behalf of the Environmental Quality Board ("EQB"), and Puma Energy Caribe, LLC ("Puma") (collectively, the "Parties" and each, individually, a "Party") by their respective counsel.

RECITALS

A. On August 12, 2010 (the "Petition Date"), the Debtors each filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code, commencing chapter 11 cases which are jointly administered under case number 10-12553 in the United States

[1] The Debtors in these chapter 11 cases (along with the last four digits of each Debtor's federal tax identification number) are: Caribbean Petroleum Corporation (7836); Caribbean Petroleum Refining L.P. (1421); and Gulf Petroleum Refining (Puerto Rico) Corporation (1417). The service address for all Debtors is: P.O. Box 361988, San Juan, Puerto Rico 00936.

Bankruptcy Court for the District of Delaware (the "Court").

B. On March 31, 2011, the Debtors filed a Motion (the "Abandonment Motion") for Entry of an Order Pursuant to Section 554(a) of the Bankruptcy Code Authorizing the Debtors to Abandon Certain Storage Tanks and Related Equipment (D.I. 824).

C. On May 2, 2011, the Debtors filed a Motion (the "Sale Motion") for Entry of an Order Pursuant to Sections 105(a), 363(b), 363(f), and 363(m) of the Bankruptcy Code Authorizing the Debtors to Sell Certain Storage Tanks and Related Equipment Free and Clear of Liens, Claims, Interests and Encumbrances (D.I. 931).[2]

D. On May 6, 2011, the Debtors filed a reply in further support of the Abandonment Motion in which the Debtors represented that they would seek a further order authorizing the abandonment of certain additional storage tanks and related equipment including, but not necessarily limited to, two USTs and one AST (the "SS 415 Tank Assets") located at and under Service Station No. 415 located at the Luis Munoz Marin International Airport in Isla Verde, Puerto Rico.

E. In consideration of the commitments of the Debtors and Puma that are now memorialized in this Stipulation, the United States and the Puerto Rico Department of Justice refrained from filing objections to, or otherwise opposing, the Abandonment Motion and Sale Motion.

F. On May 11, 2011, the Court entered Orders granting the Abandonment Motion and Sale Motion, but conditioned the effectiveness of those Orders on Court approval of

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[2] The assets subject to the Abandonment Motion and the Sale Motion were defined in those motions as "certain underground storage tanks ('USTs') and aboveground storage tanks ('ASTs') . . . and other ancillary equipment, including but not limited to, pumps, nozzles, hoses, lifts, valve controls, and air tanks" located at or under certain service station real property.

this Stipulation.

G. On May 11, 2011, Puma purchased substantially all of the Debtors' assets, including ownership of or lease rights to 147 service stations throughout the Commonwealth of Puerto Rico that are not subject to the Court's May 11, 2011 Orders granting the Debtors' Abandonment Motion and Sale Motion.

H. After the Petition Date, the Debtors sold to a third party other than Puma a service station (including the underground storage tanks owned by the Debtors at that service station) located at 363 Avenue A. Castro, San German, Puerto Rico (the "San German Station"), which station is not subject to the Court's May 11, 2011 Orders granting the Debtors' Abandonment Motion and Sale Motion.

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated into this Stipulation, and the covenants and conditions contained herein, following good faith, arm's length negotiations, and subject to approval by the Court of this Stipulation, the Parties hereby stipulate and agree as follows:

1. The Debtors hereby agree to pay, within 30 days of the effective date of the Debtors' Fourth Amended Joint Plan of Liquidation (including any amendments thereto approved by the Court) (the "Plan"), the sum of $850,000.00 from the Administrative and Priority Claims Reserve[3] to EQB, which sum shall be deposited by EQB in a fund ("Fund No. 1") to be established or designated by EQB (and administered by EQB or a third party designated by EQB) solely for disbursement (subject to EPA regulatory oversight) for contractor services for the investigation and/or remediation of suspected or confirmed releases of regulated

[3] Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Plan.

substances from or related to federally regulated UST systems and related equipment located in the Commonwealth of Puerto Rico which were subject to either the Abandonment Motion or the Sale Motion or are located at or under either Service Station No. 415 or the San German Station (the above-described UST systems are located at service stations or other locations listed in Appendix I and are hereinafter collectively referred to as "Subject Tank Systems"). Funds from Fund No. 1, and any interest earned on monies in such fund, may be disbursed by EQB subject to the following conditions:

a. Funds, not to exceed $50,000 for investigation at a particular location and $100,000 for remediation at a particular location, shall be available, at EQB's discretion, for disbursement to contractors, hired by EQB, for costs associated with investigation or remediation of suspected or confirmed releases of regulated substances from or related to one or more Subject Tank Systems. The limitation on the amount of funding for remediation at a particular location shall not apply if EQB makes a determination that the nature and extent of contamination at that location poses a significant risk to important drinking water supplies or poses other serious public health risks, provided that EQB consults in advance with EPA concerning such determination;

b. Before funds are disbursed pursuant to Paragraph 1.a for any location, the owner and/or operator of the Subject Tank System(s) at that location must have spent after July 1, 2011, at least $10,000 (which sum shall not be reimbursed under this Stipulation) of the owner and/or operator's own money, or money obtained from a non-public source(s), on investigation and/or remediation of suspected or confirmed releases of regulated substances from or related to the Subject Tank System(s), unless: (i) EQB cannot identify an owner or operator

responsible for the Subject Tank System(s), or (ii) the owner and operator demonstrate to EQB that they do not have the financial ability to spend such amount;

c. In disbursing funds pursuant to Paragraph 1.a, EQB shall:

i. give priority to addressing suspected or confirmed releases of regulated substances at locations with an "X" in the "Priority" column in Appendix 1, unless EQB determines that another suspected or confirmed releases of regulated substances at other location(s) pose more urgent public health risks; and

ii. ensure that any disbursement is for work performed at a reasonable competitive cost;

d. Should EQB fail to obligate or expend any or all of the funds in Fund No. 1 within three years after the effective date of this Stipulation, such funds shall be available, at EQB's discretion (subject to the above-described monetary limits on investigation and remediation at a particular location), for disbursement directly to an owner and/or operator of a Subject Tank System(s) for costs directly associated with investigation and/or remediation of suspected or confirmed releases of regulated substances from or related to the Subject Tank System(s), but only after the owner and/or operator spends after July 1, 2011, at least $10,000 (which sum shall not be reimbursed under this Stipulation) of the owner and/or operator's own money, or money obtained from a non-public source(s), to investigate and/or remediate suspected or confirmed releases of regulated substances from or related to the Subject Tank System(s), unless the owner and operator demonstrate to EQB that they do not have the financial ability to spend such amount;

e. No funds in Fund No. 1 may be used pursuant to Paragraph 1.a or 1.d for the investigation or remediation of releases of regulated substances that commenced after the

effective date of this Stipulation;

f. Any funds remaining in Fund No. 1 six years after the effective date of this Stipulation may be disbursed, at EQB's discretion, solely for payment by EQB for contractor services to investigate and/or remediate, in accordance with the Puerto Rico UST regulations, suspected or confirmed releases of regulated substances from or related to any federally regulated UST systems in the Commonwealth of Puerto Rico;

g. For any disbursement pursuant to this Paragraph 1, EQB may approve the disbursement 30 days after the date that EPA receives a written communication from EQB identifying the amount and purpose of the proposed disbursement and certifying that such disbursement complies with the requirements of this Stipulation and is for work performed in accordance with the Puerto Rico UST regulations;

h. In disbursing any funds for a location pursuant to this Paragraph 1, EQB shall take into consideration the ability of the owner and operator of the UST system(s) and any other responsible party to finance the work from their own resources or through other means; and

i. The disbursement of monies for a location pursuant to this Paragraph 1 shall not bar the expenditure of any other funds, e.g., Leaking UST ("LUST") Trust funds, for the location if the suspected or confirmed releases of regulated substances at that location otherwise qualify to be addressed with such funds.

2. Puma hereby voluntarily agrees to pay, within ten days of the effective date of this Stipulation, the sum of $150,000.00 to EQB, which sum shall be deposited by EQB in a fund ("Fund No. 2") to be established or designated by EQB (and administered by EQB or a third party designated by EQB) solely for purposes relating to disbursement (subject to EPA regulatory oversight) for contractor services for the investigation and/or remediation of suspected

or confirmed releases of regulated substances from or related to federally regulated UST systems and related equipment located in the Commonwealth of Puerto Rico. Funds from Fund No. 2, and any interest earned on monies in such fund, may be disbursed by EQB subject to the following conditions:

a. Funds, not to exceed $25,000 for investigation at a particular location, shall be available, at EQB's discretion, for disbursement to contractors, hired by EQB, for costs associated with investigation of suspected or confirmed releases of regulated substances from or related to one or more federally regulated UST systems in the Commonwealth of Puerto Rico that are not located at service stations or any other locations wholly or partially owned or leased by Puma;

b. Before funds are disbursed pursuant to Paragraph 2.a for any location, the owner and/or operator of the UST system(s) at that location must have spent after July 1, 2011, at least $10,000 (which sum shall not be reimbursed under this Stipulation) of the owner and/or operator's own money, or money obtained from a non-public source(s), on investigation and/or remediation of suspected or confirmed releases of regulated substances from or related to the UST system(s), unless: (i) EQB cannot identify an owner or operator responsible for the UST system(s), or (ii) the owner and operator demonstrate to EQB that they do not have the financial ability to spend such amount;

c. In disbursing funds pursuant to Paragraph 2.a, EQB shall:

i. give priority to locations where EQB determines that suspected or confirmed releases of regulated substances may pose a significant risk to important drinking water supplies or may pose other serious public health risks; and

ii. ensure that any disbursement is for work performed at a reasonable competitive cost;

d. Should EQB fail to obligate or expend any or all of the funds in Fund No. 2 within three years after the effective date of this Stipulation, such funds shall be available, at EQB's discretion (subject to the above-described monetary limit on investigation at a particular location), for disbursement directly to an owner and/or operator of a federally regulated UST system(s) at any location in the Commonwealth of Puerto Rico (except for any location wholly or partially owned or leased by Puma) for costs directly associated with investigation of suspected or confirmed releases of regulated substances from or related to the UST system(s), but only after the owner and/or operator spends after July 1, 2011, at least $10,000 (which sum shall not be reimbursed under this Stipulation) of the owner and/or operator's own money, or money obtained from a non-public source(s), to investigate and/or remediate suspected or confirmed releases of regulated substances from or related to the UST system(s), unless the owner and operator demonstrate to EQB that they do not have the financial ability to spend such amount;

e. No funds in Fund No. 2 may be used pursuant to Paragraph 2.a or 2.d for the investigation or remediation of releases of regulated substances that commenced after the effective date of this Stipulation;

f. Any funds remaining in Fund No. 2 six years after the effective date of this Stipulation may be disbursed, at EQB's discretion, solely for payment by EQB for contractor services to investigate and/or remediate, in accordance with the Puerto Rico UST regulations, suspected or confirmed releases of regulated substances from or related to any federally

regulated UST systems located in the Commonwealth of Puerto Rico (except for UST systems located at service stations or any other locations wholly or partially owned or leased by Puma);

g. For any disbursement pursuant to this Paragraph 2, EQB may approve the disbursement 30 days after the date that EPA receives a written communication from EQB identifying the amount and purpose of the proposed disbursement and certifying that such disbursement complies with the requirements of this Stipulation and is for work performed in accordance with the Puerto Rico UST regulations;

h. In disbursing any funds for a location pursuant to this Paragraph 2, EQB shall take into consideration the ability of the owner and operator of that location and any other responsible party to finance the work from their own resources or through other means; and

i. The disbursement of monies for a location pursuant to this Paragraph 2 shall not bar the expenditure of any other funds, e.g., LUST Trust funds, for the location if the suspected or confirmed releases of regulated substances at that location otherwise qualify to be addressed with such funds.

3. Payments by the Debtors, pursuant to Paragraph 1, and by Puma, pursuant to Paragraph 2, shall be made by certified check payable to the Puerto Rico Secretary of Treasury and shall be paid in person or sent by first class mail or overnight mail to [insert address]. The Debtors shall reference "EQB UST Stipulation; Bankr. Case No. 10-12553 (Bankr. D. Del.); Fund 1." Puma shall reference "EQB UST Stipulation; Bankr. Case No. 10-12553 (Bankr. D. Del.); Fund 2."

4. EPA and EQB agree not to file an objection to, or otherwise oppose, in whole or in part, any motion by the Debtors to abandon or sell the SS 415 Tank Assets, provided that any Order proposed by the Debtors to authorize the abandonment or sale of the SS 415 Tank

Assets conforms substantially to the Order authorizing the Abandonment Motion or the Order authorizing the Sale Motion, as applicable.

5. Neither this Stipulation, nor the settlement provided for herein, nor any statement made, action or position taken, or document prepared or executed in connection with the negotiation, execution, or implementation of this Stipulation shall be deemed to be, or construed as, an admission by any Party of any liability, wrongdoing, act, or matter or that any claim or defense has or lacks merit.

6. This Stipulation contains the entire Stipulation by and between the Parties with respect to the subject matter hereof, and all prior understandings or Stipulations, if any, are merged into this Stipulation, provided, however, that nothing in this Stipulation shall be construed to supersede, rescind, or modify in any way the Settlement Agreement between the United States and the Debtors that was lodged with the Court on May 20, 2011.

7. This Stipulation shall not be modified, altered, or amended without the written consent of all Parties hereto.

8. Nothing in this Stipulation shall be construed to grant any rights or causes of action to, or create any defenses for, any person who is not a Party to this Stipulation, including, without limitation, any right to receive any of the monies in Fund No. 1 and Fund No. 2.

9. Nothing in this Stipulation shall be deemed to limit the authority of the United States or the Commonwealth of Puerto Rico to take any response or enforcement action under any applicable statute or regulation, or to limit the information-gathering authority of the United States or the Commonwealth of Puerto Rico under any applicable statute or regulation, or to excuse any entity from any disclosure or notification requirements imposed by any applicable statute or regulation.

10. For purposes of construing this Stipulation, none of the Parties shall be deemed to have been the drafter of the Stipulation.

11. This Stipulation may be executed in counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same Stipulation. Facsimile or other electronic copies of signatures on this Stipulation are acceptable, and a facsimile or other electronic copy of a signature on this Stipulation shall be deemed an original.

12. Each person signing this Stipulation represents and warrants that he or she has been duly authorized and has the requisite authority to execute and deliver this Stipulation on behalf of the Party on whose behalf this Stipulation is executed and to bind the respective Party to the terms and conditions of the Stipulation.

13. This Stipulation shall be binding upon all successors and assigns of each of the Parties to the Stipulation.

14. Each of the Parties agrees to submit to the jurisdiction of the Court for any action to enforce or interpret this Stipulation.

15. This Stipulation, and the obligations of the Parties hereunder, shall be effective upon approval by the Court of this Stipulation. All references in this Stipulation to "the effective date of this Stipulation" shall be construed to mean the date of the Court approval described in the preceding sentence.

IN WITNESS WHEREOF and in agreement herewith, by and through their counsel, the Parties have executed and delivered this Stipulation as of the date first set forth below.

Dated: May 31, 2011
Wilmington, Delaware

By:_____
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Of counsel: Rudolph S. Perez
U.S. Environmental Protection Agency

By:_____
Migda Liz Rodriguez
Attorney
Federal Litigation Division
Department of Justice of the Commonwealth of Puerto Rico

Counsel for the Environmental Quality Board

IN WITNESS WHEREOF and in agreement herewith, by and through their counsel, the Parties have executed and delivered this Stipulation as of the date first set forth below.

Dated: May 17, 2011
Wilmington, Delaware

By: _____
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Counsel for Puma Energy Caribe, LLC

SO ORDERED ON THIS ___ DAY OF_____, 2011.

_____
HON. KEVIN GROSS
UNITED STATE BANKRUPTCY JUDGE

Appendix 1

56	Carr. 119, Int. 362, Ave. A. Castro San German, PR	2-860277(056)	
300	Ave. Palmas Altas # 6467 Barcelonela, PR	2-910294(300)	X
301	Ave. Barbosa #820 Rio Piedras, PR 646-6467	2-860008 (301)	
304	Carr. #2, Km. 5.0, Buchanan Puerto Nuevo, PR	2-860336(304)	X
316	Carr #31, Km 14.8 Las Piedras, PR	2-860339 (316)	
317	Carr #111, Km 13.4, Halo Arriba San Sebastian, PR	2-920127(317)	
338	Carr #186 Km 5.7, Cobuy Canóvanas, PR	93150085(338)	
342	Carr. #167, Km. 0.1, Torrecillas Morovis, PR	2-860349(342)	
346	Carr. # 132, Km. 6.7 Guayanilla, PR	2-860360(346)	X
356	Carr # 184, Km 27.6, Guavate Cayey, PR	2-860356(356)	

362	Carr #719, Km 2.6, Helechal Barranquitas, PR	2-860368(362)	
371	Carr. #493 & 863, Corcobado Hatillo, PR	2-860363(371)	
376	Carr. # 10, Km. 35.2 Adjuntas, PR	2-860366(376)	
395	Carr #20, Km 9.2 La Muda, Guaynabo, PR	2-860379(395)	
400	Munoz Rivera #20 Juana Diaz, P.R. 260-0289	2-861036(400)	X
404	Ave. Munoz Rivera #265 Fajardo, PR	2-861706(404)	X
406	Carr. # 10, Km. 63.7 Utuado, PR	2-860386(406)	X
408	Plaza Las Americas Hato Rey, PR	2-860868(408)	
416	Luis Munoz Marin International Airport Cargo Area Isla Verde, PR 791-4648	2-930031(416)	
419	Carr.#487 & #488 Hatillo, PR	2-860396(419)	

423	Carr #119, Km 1.0 Hatillo, PR.		
424	Carr. #402, km 2.2 Bo. Marias, Añasco, PR	2-861333(424)	
425	Ave. 65 Inf., Km. 5.1 Esq. Campo Rico, Rio Piedras, PR	2-860241(005)	X
429	Carr #172, Km 13.7 Cidra, PR	2-860217(429)	
430	Carr#14 Km 46.4, Asomante Aibonito, PR	2-860218(430)	
432	Carr. # 987, Km. 4.5, Las Croabas Fajardo, PR	2-860220(432)	
436	Carr. # 2, Km. 99.1 Quebradillas, PR	2-860223(436)	
446	Carr. # 119, Km. 28.6 Las Marias, PR 827-3886	2-860232(446)	
452	Norte Shopping Center Ave. Baldorioty De Castro Santurce, PR	2-860237(452)	X
459	Carr. # 987, Km. 2.4 Sardinera, Fajardo, PR	2-860118(459)	

461	Carr 103, Km 9.1 Bo.Llano Tuna Cabo Rojo, PR	2-860912 (461)	X
463	Calle 4 Esq. 6, Shop. Villa Nueva Caguas, PR 746-0282	2-860186(463)	
468	Carr. 14, Km. 3.8 Ponce, PR	02-98-0001(468)	X
469	Carr.#189, km 2.3 Caguas, PR	2-920033(469)	
478	Carr. # 1, Km. 124.9, Bucana Ponce, PR	2-860177(478)	
482	Ave. Fndz. Juncos, Prd. 12 Santurce, PR	2-860860(482)	
487	Carr. # 159, Km. 19.6 Corozal, PR 870-4598 Former Gulf 187	2-860206(487)	
495	Carr 101, Km 6.3 Lajas, PR	2-860930(495)	
496	Carr #2, Km 91.1 La Alcantarilla, Camuy, PR	2-860854(496)	
806	Playa Sardinas # 2 Culebra, P.R. 742-0144/742-3371	02-861268(806)	
905	Ave. Luis Munoz Souffront Los Maestros, Rio Piedras, PR	2-860863(905)	

54108000	Calle Corchado 1262 Santurce, PR 726-6191	2-860117 (54108000)	