

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF RHODE ISLAND**

STATE OF RHODE ISLAND,

Plaintiff,

v.

CHEVRON CORP.;
CHEVRON U.S.A. INC.;
EXXONMOBIL CORP.;
BP P.L.C.;
BP AMERICA, INC.;
BP PRODUCTS NORTH AMERICA, INC.;
ROYAL DUTCH SHELL PLC;
MOTIVA ENTERPRISES, LLC;
SHELL OIL PRODUCTS COMPANY LLC;
CITGO PETROLEUM CORPORATION;
CONOCOPHILLIPS;
CONOCOPHILLIPS COMPANY;
PHILLIPS 66;
MARATHON OIL COMPANY;
MARATHON OIL CORPORATION;
MARATHON PETROLEUM CORP.;
MARATHON PETROLEUM COMPANY LP;
SPEEDWAY LLC;
HESS CORP.;
LUKOIL PAN AMERICAS, LLC;
GETTY PETROLEUM MARKETING, INC.; and
DOES 1 through 100, inclusive,

Defendants.

Case No.1:18-cv-00395-WES-LDA

**DECLARATION OF
ARNOLD WALTON
IN SUPPORT OF
DEFENDANTS' OPPOSITION
TO PLAINTIFF'S MOTION TO
REMAND TO STATE COURT**

[Removal from the Providence
Superior Court of Rhode Island,
C.A. No. PC-2018-4716]

Action Filed: July 2, 2018

I, Arnold Walton, declare as follows:

1. I am the Manager of Wholesale Region Sales - Light Oils (Central) for Defendant CITGO Petroleum Corporation ("CITGO"). I submit this Declaration in support of Defendants' Joint Opposition to Motion to Remand (the "Joint Opposition"), concurrently filed herewith. All facts set forth in this Declaration are based upon my personal knowledge, and, if called upon to testify as to the truth of those facts, I could and would competently do so.

2. As Manager of Wholesale Region Sales, I am responsible for branded whole sales in CITGO's Central Region.

3. I have worked for CITGO since January 1, 1989. Before becoming a Manager of Wholesale Region Sales, I was a territory sales manager ("TSM") in Virginia.

4. Between approximately 1989 and 2006, I oversaw CITGO's contracts with the Navy Exchange Service Command ("NEXCOM"), a department of the Naval Supply Systems Command of the U.S. Navy that provides goods and services at discount prices to active duty military, retirees, reservists, and their families. Specifically, I managed CITGO's response to requests for proposals issued by NEXCOM and oversaw CITGO's day-to-day operations supplying fuel pursuant to the NEXCOM contracts.

5. From 1988 through 2012, CITGO was a party to at least seven contracts with NEXCOM for the supply and delivery of gasoline and/or diesel fuel to service stations on approximately forty U.S. Naval installations in fifteen states and the District of Columbia. CITGO entered into these agreements with NEXCOM in response to requests for proposals issued by NEXCOM. CITGO also contracted with NEXCOM to perform demolition of facilities, site preparation, design, construction, and outfitting of service station facilities on Naval installations. Although I managed CITGO's commercial relationship with NEXCOM, I was not responsible for overseeing CITGO's performance of the construction services contracted for NEXCOM.

6. In particular, CITGO entered into and supplied motor fuel under the following agreements with NEXCOM, some of which were subsequently modified to extend the term and add locations, among other things:

a. From June 22, 1988 through July 31, 1989, NEXCOM contracted with CITGO to supply an estimated 7,884,800 gallons of fuel to approximately 12 NEXCOM locations in Virginia. Attached hereto as **Exhibit A** is a true and correct copy of the foregoing NEXCOM contract, numbered 050-100-88-C-0053 (with confidential pricing information redacted).

b. From September 13, 1989 through October 31, 1994, NEXCOM contracted with CITGO to supply an estimated 13,200,000 annual gallons of fuel to 15 NEXCOM locations in Virginia. Attached hereto as **Exhibit B** is a true and correct copy of the foregoing NEXCOM contract, numbered 050-100-89-C-0055 (with confidential pricing information redacted).

c. From August 23, 1994 through August 23, 2004, NEXCOM contracted with CITGO to supply an estimated 3,800,000 annual gallons of fuel to four NEXCOM locations in Washington, D.C. and Maryland. Attached hereto as **Exhibit C** is a true and correct copy of the foregoing NEXCOM contract, numbered NNA250-94-C-0021 (with confidential pricing information redacted).

d. From February 10, 1998 through February 10, 2008, NEXCOM contracted with CITGO to supply an estimated 35,512,948 annual gallons of fuel to 27 NEXCOM locations in Florida, Illinois, Louisiana, Tennessee, Texas, Virginia, and Washington. Attached hereto as **Exhibit D** is a true and correct copy of the foregoing NEXCOM contract, numbered NNA250-97-C-0103 (with confidential pricing information redacted).

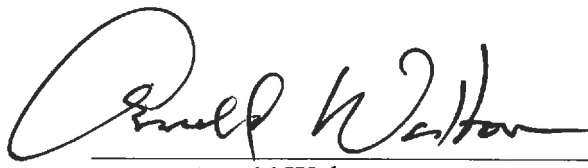
e. From November 1, 2000 through November 30, 2001, NEXCOM contracted with CITGO to supply an estimated 17,077,600 annual gallons of fuel to 11 NEXCOM locations in Florida, Georgia, Mississippi, and South Carolina. Attached hereto as

Exhibit E is a true and correct copy of the foregoing NEXCOM contract, numbered NNA250-00-C-0077 (with confidential pricing information redacted).

f. From May 6, 2005 through May 31, 2010, NEXCOM contracted with CITGO to supply an estimated 33,029,801 annual gallons of fuel to 24 NEXCOM locations in Connecticut, Florida, Georgia, Maryland, Maine, Mississippi, Rhode Island, South Carolina, and Virginia. Attached hereto as **Exhibit F** is a true and correct copy of the foregoing NEXCOM contract, numbered NNA250-05-C-0037 (with confidential pricing information redacted).

g. From July 16, 2010 through May 31, 2012, NEXCOM contracted with CITGO to supply an estimated 32,740,000 annual gallons of fuel to 20 NEXCOM locations in Connecticut, Florida Georgia, Maryland, Mississippi, Rhode Island, South Carolina, and Virginia. Attached hereto as **Exhibit G** is a true and correct copy of the foregoing NEXCOM contract, numbered NNA250-10-C-0034 (with confidential pricing information redacted).

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct and that this Declaration was executed on September 11, 2018, at Houston, Texas.



Arnold Walton

CERTIFICATE OF SERVICE

I hereby certify that the foregoing document was filed through the ECF system on the 14th day of September, 2018, and will be sent electronically to the registered participants identified on the Notice of Electronic Filing.

/s/ Gerald J. Petros