

Atlantic Richfield Company

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CERTIFIED – RETURN RECEIPT REQUESTED

Mr. Jim Sickles
Project Manager
U.S. Environmental Protection Agency Region 9
75 Hawthorne Street, SFD-8-2
San Francisco, CA 94105

Subject: July 2006 Monthly Report, Yerington Mine Site, Lyon County, Nevada: Unilateral Administrative Order for Initial Response Activities, EPA Docket No. 9-2005-0011

Dear Mr. Sickles:

Pursuant to the above referenced order, please note the following monthly status report for Atlantic Richfield Company activities at the Yerington Mine Site during July 2006.

Operations, Maintenance and Site Security

- Pumpback well system averaged approximately 59.5 gpm; all 11 wells operated 24/7 with minor downtime for preventative maintenance (wells PW-4 and PW-7).
- Arimetco heap leach fluid management system: Total estimated gallons transferred to VLT Pond = 84,000 gal. Raff sump to Phase 1 = 600 gal; Slot ditch to SSP = 9,600 gal; Slot 2 Pond to SSP = 15,100 gal; SSP to VLT Pond = 60,000 gal; Plant Feed to VLT = 24,000.
- The following FMS ponds are empty: Slot 1 & 2, Phase I, Raff 1 & 2, and Mega.
- Submitted memo response to EPA June 25 inquiry regarding FMS operations, June 27.
- Site Security Fencing Plan: No contract work activity completed; written agreements for private land access were not received.
- Arimetco FX heap ditch liner damage: July 11 windstorm ripped up 60 feet of ditch liner; no repairs made; ditch is typically dry as it is on the south side of heap and pad slopes to north side.
- Security Incident: Break-in occurred during the weekend of July 29 and 30. Ladder from June break-in was taken, as well as about 50 feet of copper cable in the Process Area. Lyon County Sheriff deputy investigated on July 31. These break-ins are beyond the scope of Atlantic Richfield's site security plan, as noted within the plan. Recommendation was made to EPA and BLM on June 11, 2006 via electronic transmittal stating that, where opportunities exist on BLM property to exploit the existing security for purposes of illegal activities, BLM should address the issues to reduce the potential for additional break-ins. BLM had subsequently responded to Atlantic Richfield generally stating that this was not their responsibility.

Groundwater Monitoring

- Lab analysis completed for second quarter site wide groundwater sampling event.
- Site-wide monthly groundwater elevation measurements July 29.

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Site Characterization

- Continued air quality monitoring activities.
- Continued modifications to the draft Background Soils Work Plan.

Other Site Activities

- Stan Weimeyer/Kevin Kritz (USFWS) and Pat Kelly (NDOW) inspection, July 6.
- Miners Contracting completed removal of evaporators and generator sets, July 6.
- B&C site visits: July 7 and 13.
- Doug Herlocker (Tetra Tech) air monitoring and weather station audit, July 10 and 11.
- Pat Kelly/Kris Urquhart (NDOW), Stan Weimeyer/Damian Higgins/Sonce de Vries (USFWS) and Deane Masters Sr. (Yerington Paiute Tribe) inspection, July 12.
- Julie Day (owner) and guest inspection of old Anaconda water tank, July 14
- Darrell Killian (Behre-Dolbear) repapered claims, July 18.
- Rich Gresham (RAM OPPS) tour, July 22.
- Don Steed (Southwest Gas Corp) gas line locations/inspection, July 25
- Tom Dunkleman (EPA) inspection, July 25.
- Joe Sawyer (NDEP) piping alignments for new Arimetco FM system ponds.
- Patrick Plumb (BLM) inspection of evaporation ponds, July 28.

Planned August 2006 Activities

- Continue O&M, site security activities.
- Implement fencing work pending EPA acquisition of written authorization from three private land owners (Tibbals, Menesini and Arimetco).

If you have any questions or comments, please feel free to contact me at (661) 287-3855 or via e-mail at thunril@bp.com.

Sincerely,



Roy Thun
Environmental Business Manager

cc: Joe Sawyer, NDEP – Via electronic mail
Pat Plumb, BLM – Via electronic mail
Dan Newell, City of Yerington – Via electronic mail
Chris Winsor, Atlantic Richfield Company - Via electronic mail
Todd Normane, Atlantic Richfield Company – Via electronic mail
Chuck Zimmerman, Brown and Caldwell
Ed Schneider, Norwest Applied Hydrology – Via electronic mail
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