BEFORE THE ENVIRONMENTAL APPEALS BOARD UNITED STATES ENVIRONMENTAL PROTECTION AGENCY WASHINGTON, D.C.

In re:)))
Lee Ranch Coal Company, El Segundo Mine)
NPDES Permit No. NM0030996)

NPDES APPEAL No. 14-04

JOINT SECOND STATUS REPORT AND REQUEST TO CONTINUE STAY

Respectfully, Region 6 of the United States Environmental Protection Agency ("Region 6") and Petitioner Lee Ranch Coal Company ("LRCC") (collectively, the "Parties") jointly file this Second Status Report and Request to Continue Stay with regard to the above-captioned proceeding.

On November 28, 2014, the Environmental Appeals Board ("EAB") granted the Parties' Joint Motion to Stay the Proceedings to allow the Parties to undertake settlement negotiations and ordered the Parties to file joint status reports with the Board on or before January 30 and February 27, 2015 (the "Order"). On January 30, 2015, the Parties filed their initial status report with the EAB ("Initial Status Report").

The Order provides that the Parties shall include a discussion in their February 27, 2015 status report as to whether it is appropriate to continue the stay. The Parties believe it is appropriate to continue the stay and hereby jointly request that the stay be continued until April 30 and for the parties to file status reports on before March 31 and April 30, 2015.

Since the Initial Status Report, respective counsel for the Parties have continued to engage and address the contested issues and believe that such discussions have remained constructive toward attempting to work out a resolution of the matter. However, a continuance of the stay is requested in light of a recent reorganization at Region 6, including the reassignment of the Associate Director of the NPDES Permits & TMDLs Branch Director. Region 6 will need additional time to bring the new staff up to speed on the issues and status of the negotiations, while continuing efforts to resolve this matter. The Parties continue to believe this approach is a worthwhile alternative and an appropriate allocation of resources.

Date: February 25, 2015

Respectfully Submitted,

MANATT, PHELPS & PHILLIPS, LLP

<u>/s/ Peter Duchesneau</u> Craig A. Moyer Peter R. Duchesneau Manatt, Phelps & Phillips, LLP (310) 312-4000 (310) 312-4224 cmoyer@manatt.com pduchesneau@manatt.com Attorneys for Petitioner, Lee Ranch Coal Company

U.S. EPA REGION 6

<u>/s/ David Gillespie</u> David Gillespie Assistant Regional Counsel U.S. EPA, Region 6 1445 Ross Avenue, Suite 1200 Dallas, TX 75202 (214) 665-7467 gillerspie.david@epa.gov

CERTIFICATE OF SERVICE

I, Peter R. Duchesneau, hereby certify that on this 25th of February, 2015, I

served a copy of the foregoing Joint Second Status Report and Request to Continue Stay on the

parties identified below by U.S. mail.

Ron Curry Regional Administrator U.S. EPA, Region 6 1445 Ross Avenue, Suite 1200 Dallas, TX 75202

and

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> /s/ Peter Duchesneau Peter R. Duchesneau

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