

State of Utah

Department of Environmental Quality

Dianne R. Nielson, Ph.D. Executive Director

> William J. Sinclair Deputy Director

JON M. HUNTSMAN, JR. Governor

GARY HERBERT Lieutenant Governor SCANNED

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Environmental Response & Remediation

July 26, 2006

Ms. Paula Doughty
Manager, Tailings and Water Services
Kennecott Utah Copper Corporation
PO Box 6001
11984 West Highway 202
Magna, UT 84044

Dear Ms. Doughty:

Re: Trustee's Notice that the Zone A Reverse Osmosis Treatment Plant is Completed

The State of Utah Natural Resource Damage Trustee has received your treatment plant status letter dated July 6, 2006. It is understood that the Zone A Reverse Osmosis treatment plant, hence forth called the Bingham Canyon Water Treatment Plant, has received an operating permit from the Utah Division of Drinking Water dated May 26, 2006 under its normal rules and regulations. It is also understood that the Utah Division of Environmental Response and Remediation has assessed that the Bingham Canyon Water Treatment Plant complies with the Design Capacity (as specified in Section III.A of the Three-Party Agreement) of 3.13 MGD.

At this time, the State of Utah Natural Resource Damage Trustee is providing notice to Kennecott Utah Copper Corporation that the Bingham Canyon Water Treatment Plant is considered completed. Pursuant to Section III. B of the Three-Party Agreement, this notification shall also constitute notice that the Bingham Canyon Water Treatment Plant is "Complete and Operational" as defined in the Project Agreement. The date of this notice shall represent the "Zone A Completion Date" as specified in Section III.B of the Three-Party Agreement.

If you have any questions regarding this notification, please contact me or Douglas Bacon of my staff at 536-4282. On behalf of the State of Utah, I want to express appreciation for Kennecott's actions to construct the treatment facilities and produce the required volume of municipal quality drinking water pursuant to the terms of the Joint Proposal and Three-Party Agreement. These efforts will assist in the restoration of this resource.

Best regards,

Dianne R. Nielson, Ph.D.

Natural Resource Damage Trustee

Cc:

Mr. Richard Bay, Jordan Valley Water Conservancy District

Mr. Fred Nelson, State of Utah Attorney General's Office

Mr. Brad T Johnson, Division of Environmental Response and Remediation

Mr. Douglas Bacon, Division of Environmental Response and Remediation