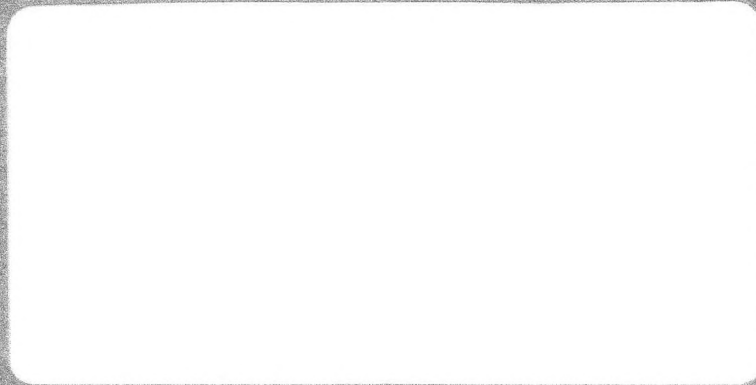


PLAINTIFF'S
EXHIBIT
CAM-275



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**CYPRUS INDUSTRIAL MINERALS
ENVIRONMENTAL AUDIT PROGRAM
FACILITY COMPLIANCE REPORT**

WEST WINDSOR MILL

PREPARED FOR:

**Cyprus Minerals
9100 East Mineral Circle
Englewood, Colorado 80112**

PREPARED BY:

**Phillip E. Stark
Director, Risk Management**

**Stephen D. Bundy
Vice President**

**TRC Project No. 6191-P12
August 23, 1989
C/436**

TRC

***Environmental
Consultants***

**7002 South Revere Parkway
Suite 60
Englewood, CO 80112
(303) 792-5555**

A TRC Company

EXECUTIVE SUMMARY

Stephen D. Bundy of TRC visited the West Windsor Mill on July 17, 1989. Records were reviewed in the West Windsor Office. Primary contacts were Robert Goff and Jeff Smith.

The facility appears to be in substantial compliance with applicable environmental regulations. The only item of non-compliance with applicable regulations noted during the audit is:

- An SPPC plan is required to address storage of petroleum products.

The remaining action items suggested do not reflect lack of compliance, but are intended to avoid possible future liabilities, compliance difficulties, or facilitate future permitting.

1.0 FACILITY DESCRIPTION

The West Windsor Mill processes talc ore primarily from the Ludlow and Hammondsville mines. Processing includes truck unloading, primary and secondary crushing, ore drying, grinding, rewetting, 3 stage flotation, disinfection, thickening, filtration, blending, impact grinding and drying, and bagging or bulk loading. Tails are discharged through 400 foot lines to an impoundment and sedimentation pond system and there is an emergency pond, directly behind the mill, for tailings line-related problems.

Surrounding features include Mill brook, a class B waterway, runs directly behind the emergency pond. Route 44 runs directly in front of the Mill and there are residences within one mile along the highway.

2.0 ENVIRONMENTAL MANAGEMENT RESPONSIBILITIES

Mr. Jeff Scott is responsible for all operations at the Mill and reports directly to Robert Goff. Art LaPierre is responsible for safety and health, and community right-to-know. James Brammer is consulted on engineering matters and Michael Keener is responsible for analyzing laboratory samples.

3.0 ENVIRONMENTAL ISSUES

3.1 AIR QUALITY

The area is classified attainment for all substances except ozone, for which it is unclassified.

The operation has a total of 4 baghouses, 1 water scrubber, and 2 bin vents. All were constructed before August 31, 1983 when the NSPS (New Source Performance Standards) for Non-Metallic Mineral Processing became effective and, therefore, did not require NSPS evaluation. The bin vents discharge into the building and, therefore, do not require permits. All of the remaining units are grandfathered from permitting requirements.

3.2 SURFACE WATER QUALITY

A total of 5 impoundments exist at present (#6-#10). Nos. 6 and 8 are inactive. No. 7 is being used for flow-through only. No. 9 is inactive, but serves as an emergency standby. No. 10 is the active impoundment which discharges through five settling ponds (#5, #4, #3, #2, and #1) before discharging into Mill Brook (a class B waterway).

In addition, an emergency pond, behind the mill is used occasionally when tailings lines or production problems occur. The emergency pond has no direct discharge and is dredged every couple of years, as needed.

The facility has NPDES (National Pollutant Discharge Effluent System) permit to discharge from the tailings system into Mill Brook (VT #3-1222). The latest revision of this permit was not in the central files, but Jim Gay reported that it has been updated and was a simple extension. The permit requires monitoring for flow, TSS (total suspended solids), turbidity, and pH. In addition, temperature up and down-stream of the discharge is reported in summer months. The facility appears to have no systematic difficulty meeting permit limits, although a limit (normally flow) is violated very occasionally.

The facility has no direct or indirect discharge permit for the emergency pond. A direct discharge permit may be prudent to avoid an unpermitted discharge (a serious violation) in emergency situations. (This is similar to the situation at the Columbia Mill where a discharge permit is maintained in case of emergency).

3.3 GROUNDWATER QUALITY

Two groundwater wells exist on-site for the purpose of providing process work. Both are shallow (approximately 15 feet) and water quality is reportedly excellent. No groundwater quality impacts from the operation have been reported or are probable, due to the nature of the operation.

There is an indirect discharge program for facilities do not have direct discharges, but may discharge to groundwater, such as the emergency pond. This program only applies to new facilities and existing sources which handle sewage, therefore, the emergency pond should not require a permit under this program. It should be noted, however, that if the pond were to be expanded, the requirement to obtain a permit would be triggered.

The State is instituting a new underground injection well control program. Any subsurface facility with no discharge could be potentially included. It is presently anticipated that any existing source that registers with the program in the first year will be grandfathered from regulations and that a facilities regulated by other programs will not be included. This should, however, be investigated when the regulations are promulgated.

3.4 SOLID WASTE

3.4.1 Solid Wastes

Solid wastes are handled off-site by a licensed contractor.

3.4.2 Hazardous Wastes

The majority of "hazardous waste" generated consists of waste oil which is considered hazardous under Vermont regulations. Typical waste in storage consists of:

- 1) Waste oils - partial 55 gal drum
- 2) Oily rags, etc. - partial 55 gal drum
- 3) Lab waste, organic - partial 55 gal drum
- 4) Lab waste, inorganic - partial 55 gal drum
- 5) Misc. gallon cans of Dow Polyacrylate

These quantities likely qualify the facility as a small quantity generator (100-1000 kg/mo). The storage area is in an enclosed area with a roof and no floor drains. The area is inspected daily and the present goal is to have the material removed every 30 days. A chemical inventory is performed monthly and a state inspection is held approximately every 60 to 90 days. A RCRA contingency plan is on file. The State inspector asked that the plan be submitted for approval. The plan was submitted and management was waiting for approval of this plan to form the basis of the plans for other facilities. Approval has never been received. The waste is transported and handled by Northeast Solvents, Northanover, MA., a licensed carrier.

3.4.3 Underground Storage Tanks

None.

3.5 CERCLA/SARA

3.5.1 SARA Title III (Community Right to Know)

The facility is complying with both the Federal and State programs. The Vermont State system is somewhat different from the Federal in the industries included. Whereas, the Federal program exempts mining (those employees covered by MSHA instead of OSHA) from 311 and 312 filings, the State program

includes them. The facility has made all necessary filings under the State program. The facility has filed a Federal 313 in 1987 for n-butanol (used or stored in over 10,000 gallons per year).

3.5.2 Potential Liabilities

No reportable releases or other CERCLA-related liabilities were reported or noted.

3.6 OTHER

3.6.1 Asbestos

None noted or reported.

3.6.2 PCB's

There are four transformers on-site, none of which contain PCB's.

3.6.3 SIC Code

Like a number of the other facilities, this operation has an inappropriate SIC Code (Standard Industrial Code). The facility has been given a SIC Code of 3295. This is a manufacturing-type code and refers to a talc processing facility that is not associated with a mine. The correct code for this facility is 1496. The SIC Code affects the categorization of the facility under a number of regulatory programs, including SARA Title III. For instance, if the facility were correctly categorized, Section 313 would not apply.

3.6.4 Vermont Act 250

4.0 OCCUPATIONAL HEALTH

No unusual Occupational Health issues or problems were noted.

5.0 ACTION CHECKLIST

- Management may wish to consider obtaining a direct discharge permit for the emergency pond (NPDES) to avoid an unpermitted discharge in case of overflow.
- If future expansion is planned that will casue an increase in air emissions, management may wish to consider collecting on-site meterological data to facilitate permitting (avoiding the problems encountered during the Columbia Mill expansion).
- Request a change SIC Code form 3295 to 1496.
- Determine whether the emergency pond should be registered as an existing facility under the State underground injection well program when it is promulgated.

TRC

***Environmental
Consultants***

- East Hartford, CT
(203) 289-8631
- Washington, DC
(202) 337-0307
- Los Angeles, CA
(714) 581-6860
- Somerset, NJ
(201) 563-1100
- Denver, CO
(303) 792-5555
- Seattle, WA
(206) 485-2992