**Jonathan C. Cherry, P.E.**
Manager Environment and Governmental Affairs
Kennecott Eagle Minerals Company
1004 Harbor Hill Drive
Suite 103
Marquette, Michigan 49855
Phone: 906-225-5791
Email: Cherryj@Kennecott.com

**Kennecott Minerals**
*Eagle*
*A Member of the Rio Tinto Group*

February 2, 2007

Ms. Jodi Traub, Director
U.S. Environmental Protection Agency, Region 5
Water Division (WQ-16-J)
77 West Jackson Blvd.
Chicago, IL 60604-359

Dear Ms Traub,

It was a pleasure meeting with you and the rest of the senior management team for EPA Region 5 on January 16, 2007. Based on our discussions about the proposed Eagle mine and the Underground Injection Control (UIC) program, it was agreed that Kennecott Eagle Minerals Company would provide completed Underground Discharge System Inventory Sheets for the two qualifying structures planned for the site. These structures are the Treated Water Infiltration System (TWIS) and the sanitary septic system. UIC Inventory Sheets and supporting attachments for these two structures are attached to this letter.

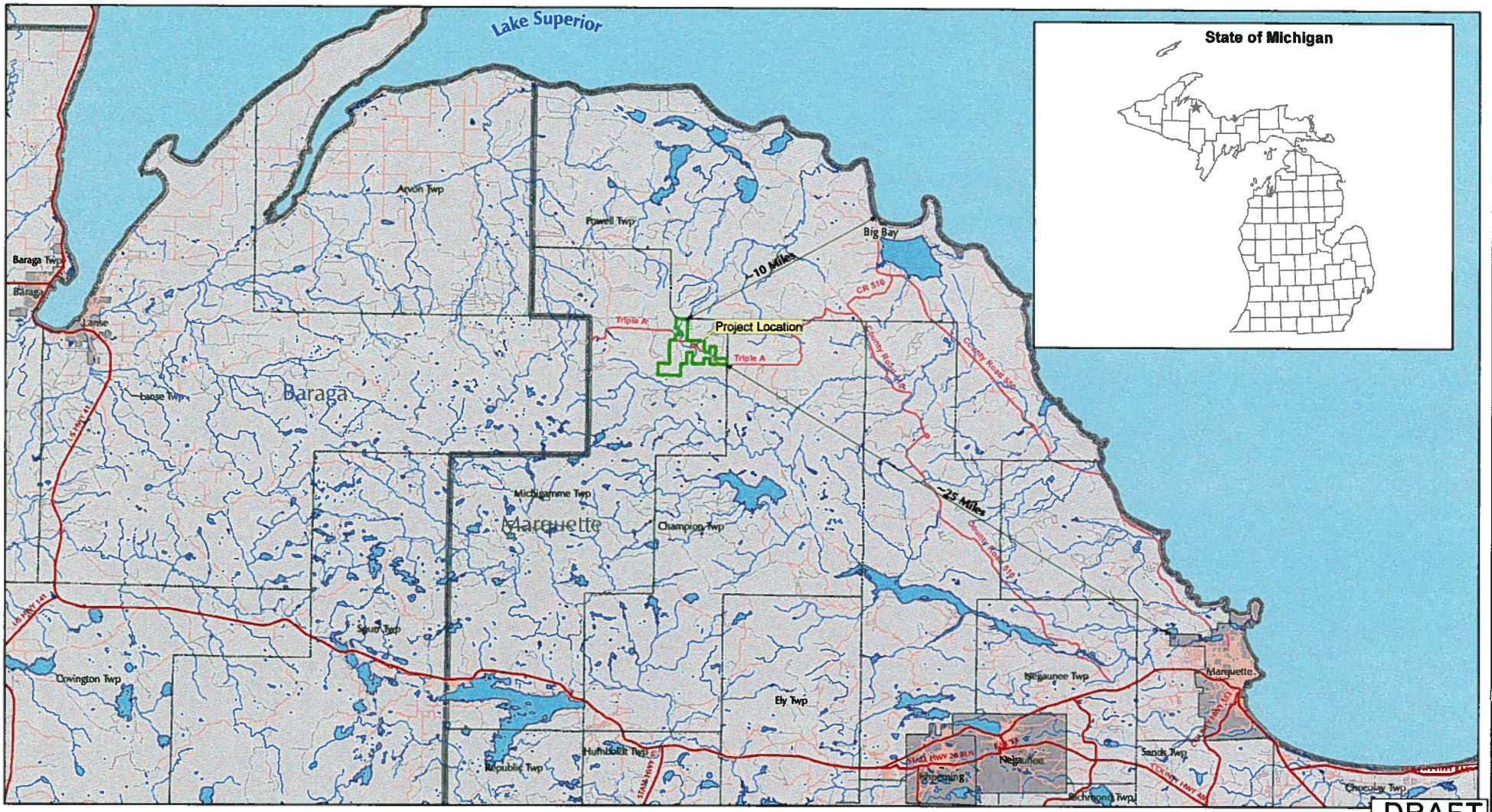
Please contact me 906-225-5791 if you have any questions.

Sincerely,

Jonathan C Cherry, P.E.
Manager Environment and
Governmental Affairs

Attachments (2)

Cc: Gene Smary, Warner Norcross & Judd, LLP
Stephen Donohue, Foth Infrastructure & Environment, LLC




**NOTES**

1. Surface property boundary as of November 18, 2004 supplied by Kennecott via Golder & Associates Inc., August, 2005.
2. Horizontal datum based on NAD 83/94. Horizontal coordinates based on UTM Zone 16.
3. All base information downloaded from Michigan Center of Geographic Information (http://www.michigan.gov/cgi).
4. Site Location - Project Site within Sections 11 &12, T50N, R29W, Town of Michigamme, Marquette County, Michigan.

**LEGEND**

- Counties
- Minor Civil Divisions
- Kennecott Surface Ownership
- Lakes and Rivers
- Highways
- Major Roads
- Minor Roads

N

PRIVILEGED AND CONFIDENTIAL

Foth Infrastructure & Environment, LLC

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| CHECKED BY: | JOS1 | DATE: FEB. '07 |
| APPROVED BY: | SVD1 | DATE: FEB. '07 |
| APPROVED BY: | | DATE: |

Kennecott Eagle Minerals

FIGURE 1

PROJECT LOCATION

Scale: 0 2 4 Miles | Date: FEBRUARY, 2007

Prepared by: DAT | Scope: 04W018

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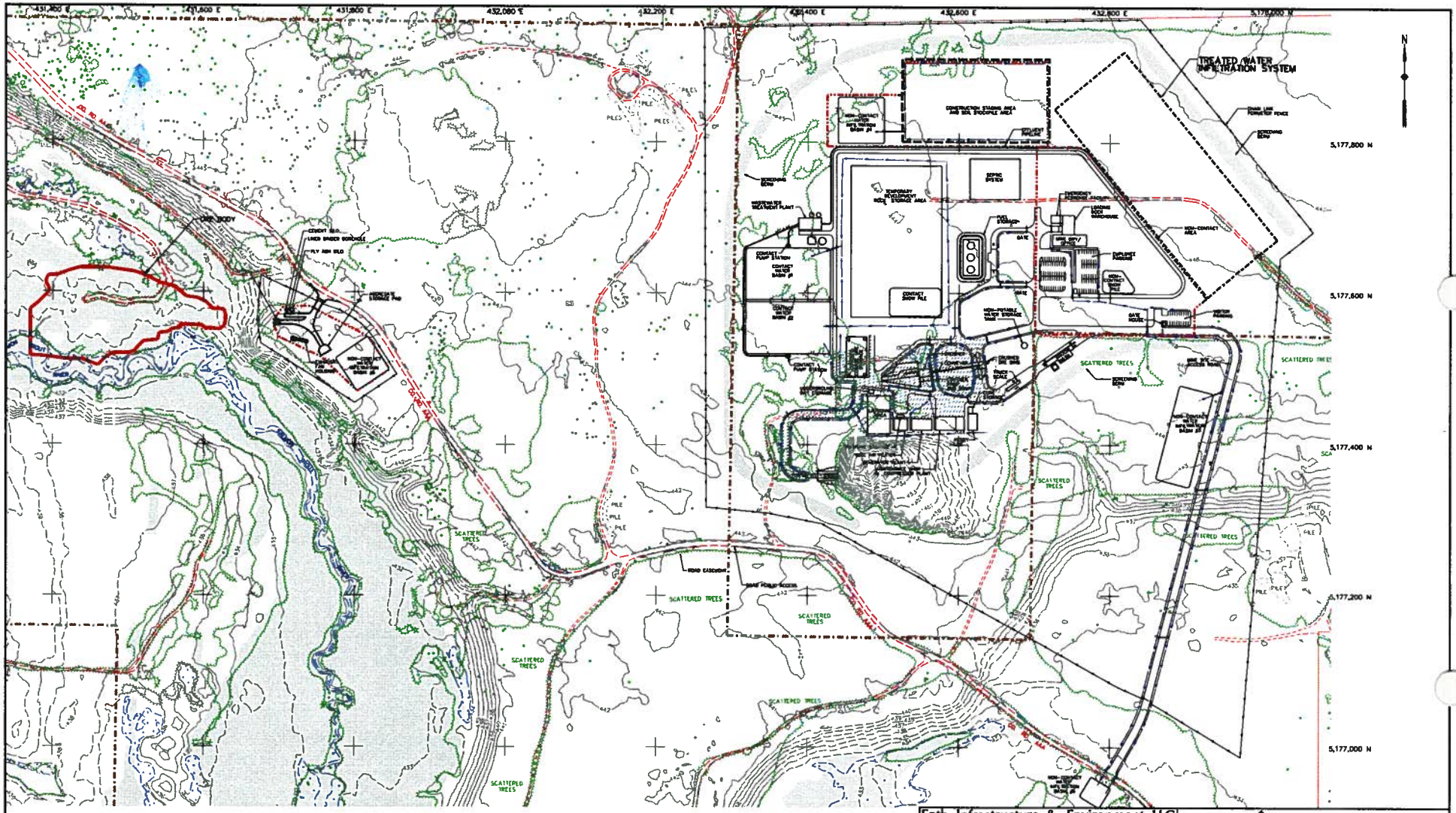


NOTES:

1. TOPOGRAPHIC AND PLANIMETRIC DATA SUPPLIED BY AERO-METRIC ENGINEERING, SHEBOYGAN, WISCONSIN. DATE OF PHOTOGRAPHY: JUNE 2, 2004.
2. MINE PLAN DATA AREA ADAPTED FROM MONTGOMERY ENGINEERING, INC., TEMPE, ARIZONA.
3. SURFACE PROPERTY BOUNDARY AS OF NOVEMBER 18, 2004 SUPPLIED BY KENNECOTT VIA GOLDER & ASSOCIATES INC., AUGUST, 2005.
4. CONTOUR INTERVAL BASED ON NORTH AMERICAN VERTICAL DATUM OF 1988. HORIZONTAL DATUM BASED ON NAD 83/96. HORIZONTAL COORDINATES BASED ON UTM ZONE 16.
5. ORE BODY, GROUNDWATER DISCHARGE AREA, WETLAND BOUNDARY (WETLAND AND COASTAL RESOURCES) SUPPLIED BY GOLDER & ASSOCIATES, INC. AUGUST, 2005.

LEGEND

- EXISTING CONTOUR
- UNPAVED ROAD
- TREE
- TREE LINE
- WCR MAPPED WETLAND BOUNDARY PROVIDED BY GOLDER & ASSOCIATES, INC. AUGUST, 2005.
- KENNECOTT PROPERTY BOUNDARY
- PERIMETER FENCE
- TREATED WATER INFILTRATION SYSTEM
- PLANIMETRIC WETLAND NOTATION
- ORE BODY

Foth Infrastructure & Environment, LLC

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| APPROVED BY: | SVDI | DATE: FEB. '07 | Prepared By: DAT |

Kennecott Eagle Minerals

FIGURE 2

FACILITY PLAN

Date: FEBRUARY, 2007

Scope: 04W018

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# UNDERGROUND DISCHARGE SYSTEM (CLASS V) INVENTORY SHEET

(see instructions on back)

1. **Name of facility:** Kennecott Eagle Minerals Company

**Address of facility:** 46° 44' 55" N, 87° 53', 43" (Geographic Location)

**City/Town:** Marquette **State:** MI **Zip Code:**

**County:** Marquette **Location:** 46° 44' 55" N, 87° 53' 43" W

**Contact Person:** Mr. Jonathan Cherry, P.E., Manager of Environment and Governmental Affairs
**Phone Number:** (906) 225-5791

2. **Name of Owner or Operator:** Kennecott Eagle Minerals Company

**Address of Owner or Operator:** 1004 Harbor Hills Dr. Suite 103

**City/Town:** Marquette **State:** MI **Zip Code:** 49855

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3. **Type & number of system(s):** ____Drywell(s) ____Septic System(s) __X__Other (describe): Treated Water Infiltration System (TWIS)

**Attach a schematic of the system. Attach a map or sketch of the location of the system at the facility.** A site location map and sketches show the general arrangement of the system.

4. **Source of discharge into system:** Runoff basins and control measures will be used to control sediment and erosion during construction activities. Groundwater that flows into the mine during construction and operation, and other surface water runoff that has the potential to come in contact with mining equipment and materials, will be routed to lined contact water storage basins (CWBs) before being treated in a wastewater treatment plant (WWTP). The WWTP will be used for removing metals and other dissolved ions in the water before the water is discharged to an on-site treated water infiltration system (TWIS). The TWIS will be operated in conjunction with a Groundwater Discharge Permit issued by the Michigan Department of Environmental Quality (MDEQ). Based on the design of the WWTP, the estimated flow to the TWIS will be 350 gallons per minute, or 184,000,000 gallons per year. The most applicable SIC codes are 1021 & 1099 for copper and nickel ores, respectively.

5. **Fluids discharged:** Fluids will include contact water from activities on-site during operations and construction, groundwater that flows into the mine during operations and contact storm water.

6. **Treatment before discharge:** All water that is discharged to the TWIS will first undergo treatment in the on-site Wastewater Treatment Plant (WWTP). All WWTP and discharge activities will be in conjunction with the Groundwater Discharge Permit issued by MDEQ. The treatment system will consist of wastewater storage, main wastewater treatment and concentrate reduction.

7. **Status of underground system:** ☐ **Existing** ☐ **Unused/Abandoned** ☐ **Under Construction** ☒ **Proposed**

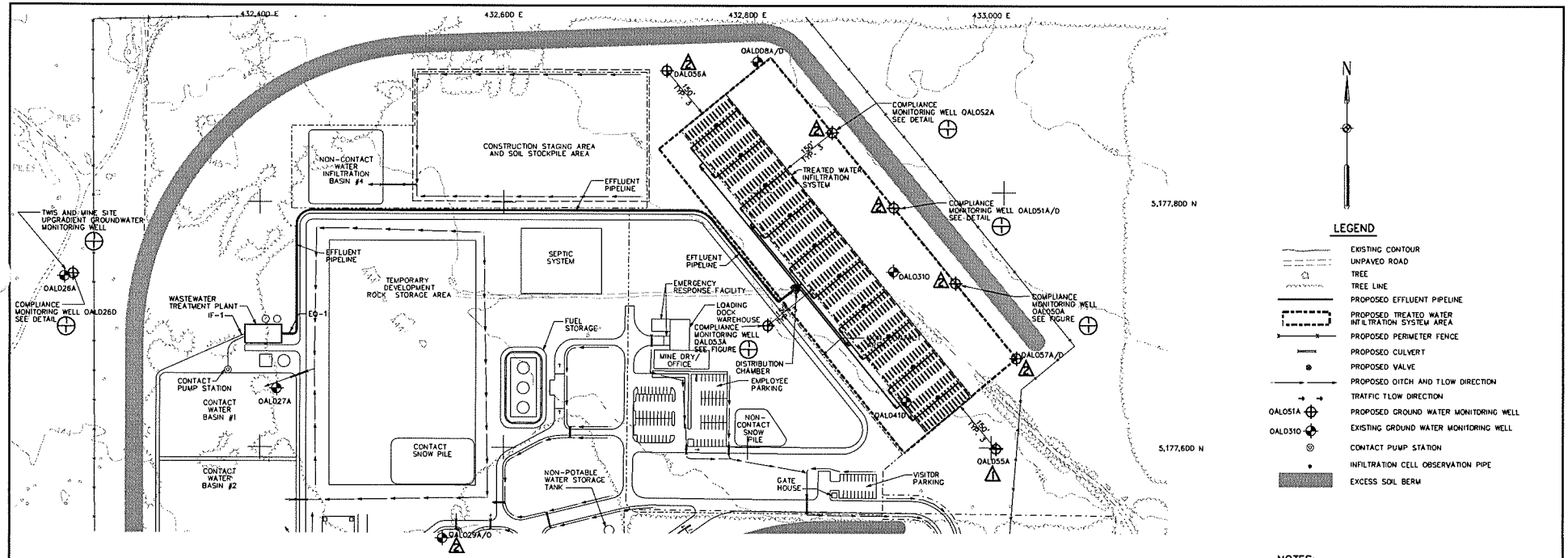
**Approved/Permitted by:** _____ **Date constructed:**

**CERTIFICATION**

**I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. (Ref. 40 CFR 144.32).**

**Signature:** _____ **Date:** 2-2-07

**Name (printed):** Jonathan Cherry, P.E.
**Official Title:** Manager of Environment and Governmental Affairs

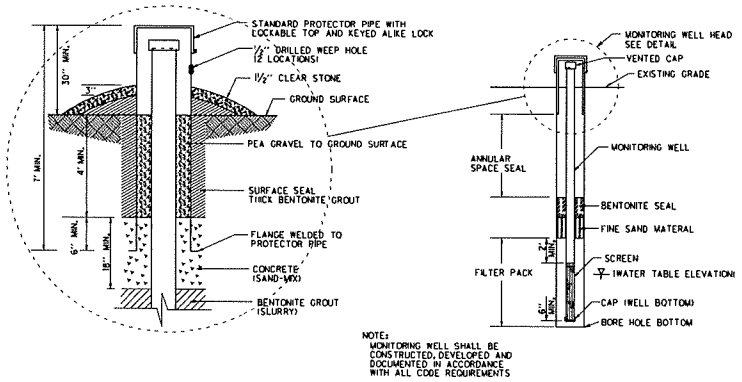



## TREATED WATER INFILTRATION SYSTEM LAYOUT

0 40M 80M

NOTES:

1. WELLS OAL0410 AND OAL027A TO BE ABANDONED PER R 323.2223 (4)(j)
2. WELL OAL031D TO BE USED FOR MONITORING GROUNDWATER LEVELS ONLY. OAL0310 IS NOT A COMPLIANCE MONITORING WELL.




NOTE:
MONITORING WELL SHALL BE CONSTRUCTED, DEVELOPED AND DOCUMENTED IN ACCORDANCE WITH ALL CODE REQUIREMENTS

1/1 MONITORING WELL DETAIL
NOT TO SCALE

| Foth Infrastructure & Environment, LLC | | | |
|---|---|---|---|
| REVISED | DATE | BY | DESCRIPTION |
| 1 | 4/06 | SVDI | ADD ADDITIONAL WELLS |
| 2 | 12/07 | SVDI | MOVED/ADD ADDITIONAL WELLS |
| CHECKED BY: | | PAK | DATE: APRIL '06 |
| APPROVED BY: | | SVDI | DATE: APRIL '06 |
| APPROVED BY: | | | DATE: |

Kennecott Eagle Minerals

FIGURE 3
TREATED WATER INFILTRATION SYSTEM LAYOUT AND DETAILS

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| Scale: AS SHOWN | Date: APRIL, 2006 |
| Prepared By: DAT | Scope: 04W018 |

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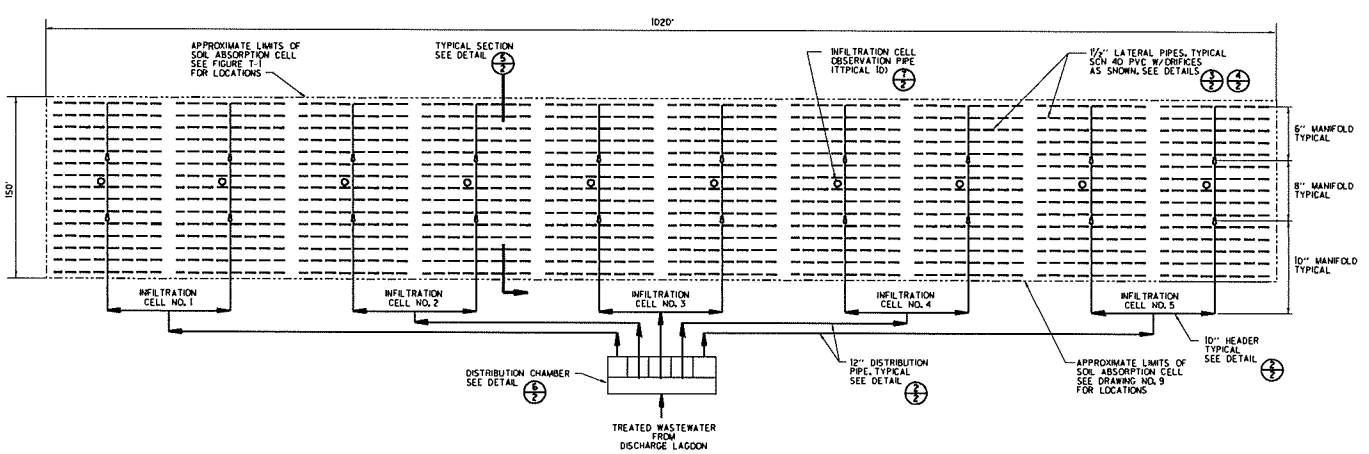
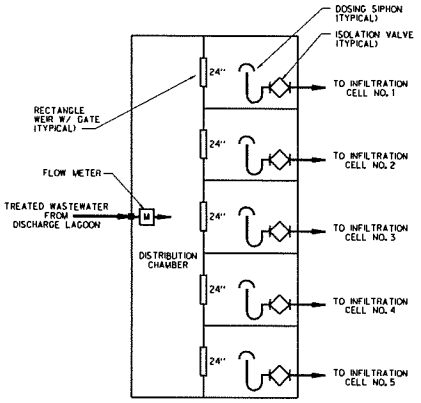


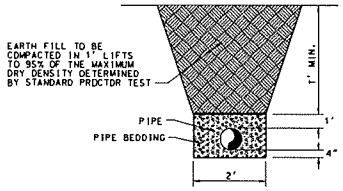

1/2 TREATED WATER INFILTRATION SYSTEM - SCHEMATIC

NOT TO SCALE




6/2 DISTRIBUTION CHAMBER

NOT TO SCALE




TYPICAL TRENCH SECTION FOR BURIED PIPELINES

2/2

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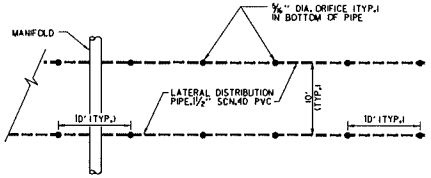
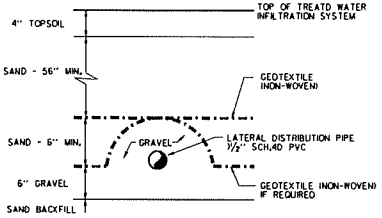


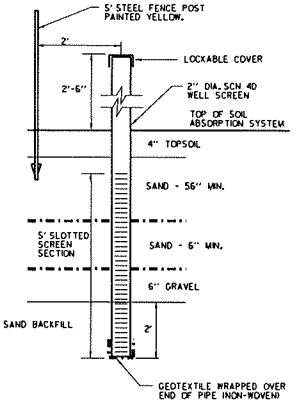

3/2 LATERAL DETAIL

NOT TO SCALE



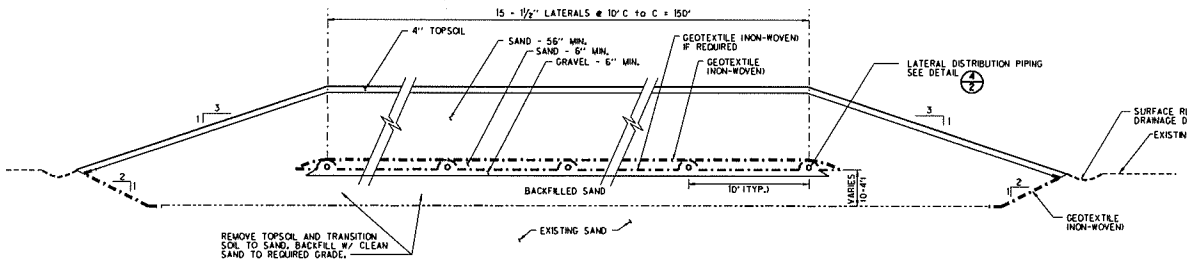

4/2 LATERAL DISTRIBUTION PIPING DETAIL

NOT TO SCALE




7/2 INFILTRATION CELL OBSERVATION PIPE DETAIL

NOT TO SCALE




5/2 TREATED WATER INFILTRATION SYSTEM - TYPICAL SECTION

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| CHECKED BY: | PAK | DATE: | APRIL '06 |
| APPROVED BY: | SVD1 | DATE: | APRIL '06 |
| APPROVED BY: | | DATE: | |

Kennecott Eagle Minerals

FIGURE 4

TREATED WATER INFILTRATION SYSTEM DESIGN AND DETAILS

| Scale: NOT TO SCALE | Date: APRIL, 2006 |
|---|---|
| Prepared By: DAT | Scope: 04W018 |

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# UNDERGROUND DISCHARGE SYSTEM (CLASS V) INVENTORY SHEET

(see instructions on back)

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City/Town: Marquette State: MI Zip Code:

County: Marquette Location: 46° 44' 55" N, 87° 53' 43" W

Contact Person: Mr. Jonathan Cherry, P.E., Manager of Environment and Governmental Affairs
Phone Number: (906) 225-5791

2. Name of Owner or Operator: Kennecott Eagle Minerals Company

Address of Owner or Operator: 1004 Harbor Hills Dr. Suite 103

City/Town: Marquette State: MI Zip Code: 49855

---

3. Type & number of system(s): ____Drywell(s) __X__Septic System(s) ____Other(describe):

**Attach a schematic of the system. Attach a map or sketch of the location of the system at the facility.** See Figures 1, 2 and 3.

4. **Source of discharge into system:** Discharges will include only sanitary wastewater generated from the facility from on-site employee restrooms and shower facilities. The most appropriate SIC Codes for this operation are 1021 and 1099 for copper and nickel ores, respectively.

5. **Fluids discharged:** Fluids will include only sanitary wastewater as noted above. Chemicals and other wastes will not be discharged into this system.

6. **Treatment before discharge:** All sanitary wastewater will be discharged through a septic settling tank and buried infiltration drainfield system that meets requirements of the *Michigan Criteria for Subsurface Sewage Disposal* and R 323.2210 (a) (ii). Figure 3 provides information on the design and operation of the system. Based on a design flow of 35 gallons per day per employee, the peak design flow for the system will be 3,850 gallons per day.

7. **Status of underground system:** Existing Unused/Abandoned Under Construction ☒ Proposed

Approved/Permitted by: _____ Date constructed:

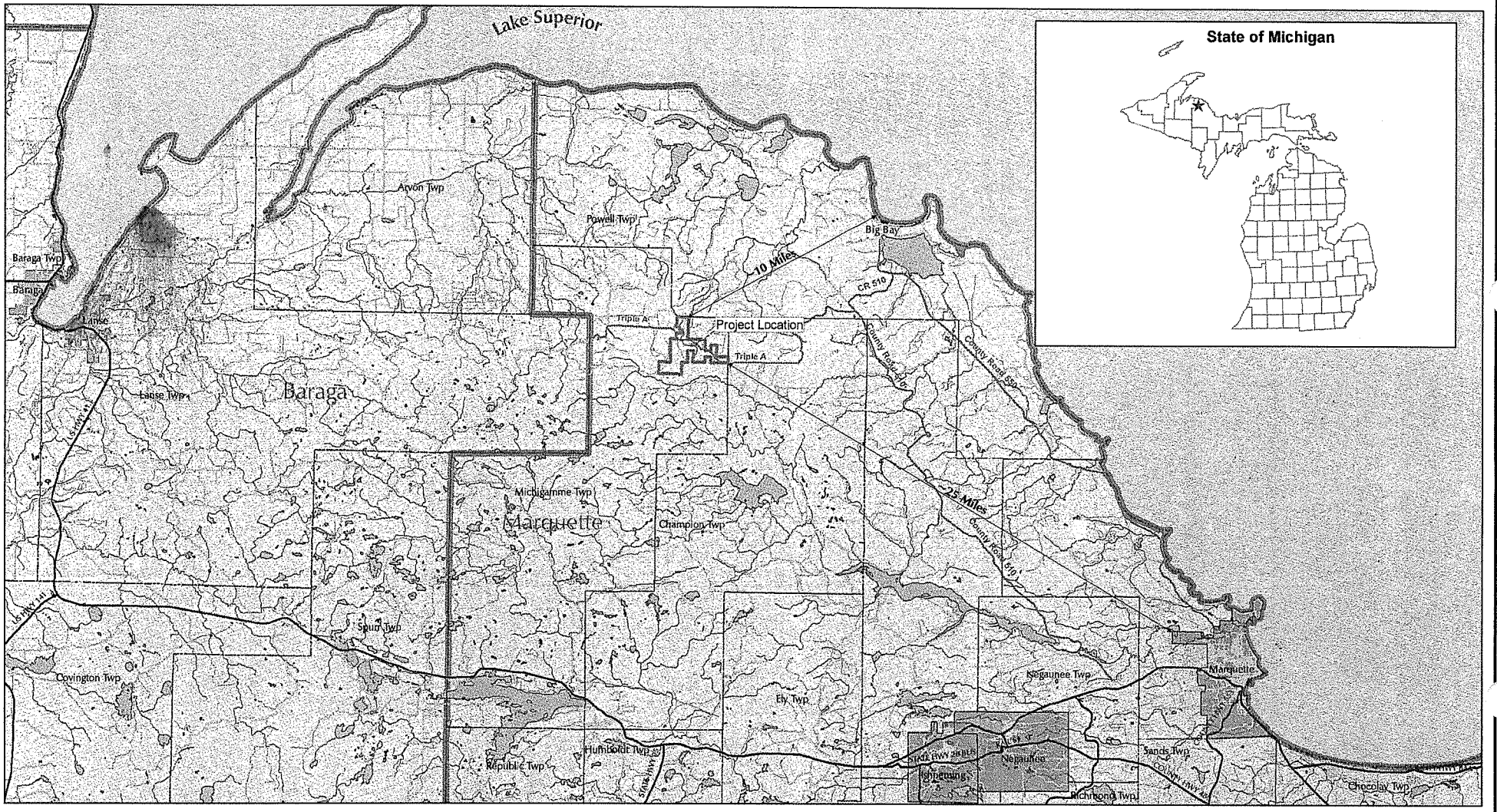
**CERTIFICATION**

**I certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. (Ref. 40 CFR 144.32).**

Signature: _____ Date: 2-2-07

Name (printed): Jonathan Cherry, P.E.

Official Title: Manager of Environment and Governmental Affairs

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4. Site Location - Project Site within Sections 11 &12, T50N, R29W, Town of Michigamme, Marquette County, Michigan.

LEGEND

- Counties
- Minor Civil Divisions
- Kennecott Surface Ownership
- Lakes and Rivers
- Highways
- Major Roads
- Minor Roads

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| APPROVED BY: | SVD1 | DATE: FEB, '07 |
| APPROVED BY: | | DATE: |

Kennecott Eagle Minerals

FIGURE 1

PROJECT LOCATION

Scale: 0 2 4 Miles | Date: FEBRUARY, 2007

Prepared by: DAT | Scope: 04W018

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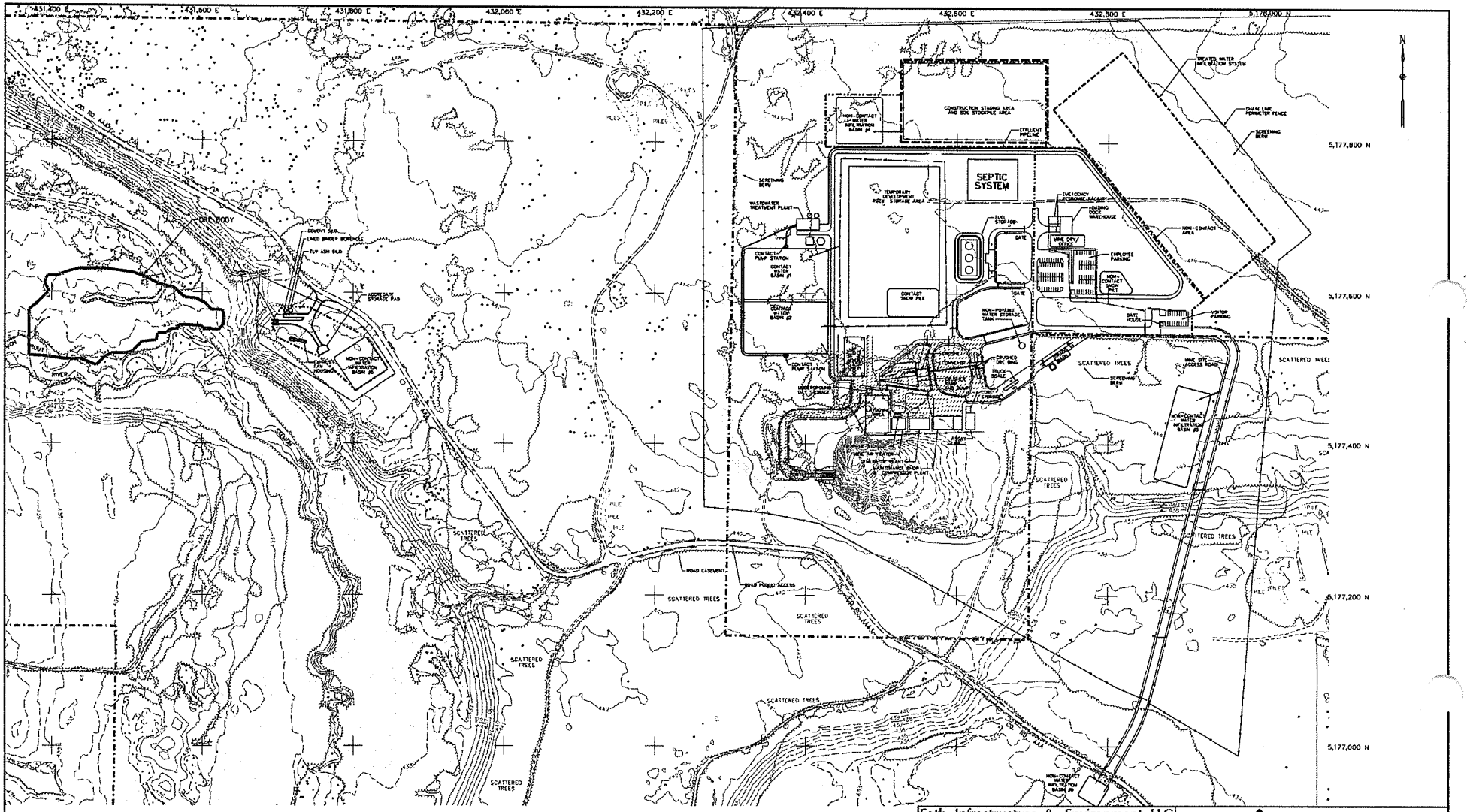


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5. ORE BODY, GROUNDWATER DISCHARGE AREA, WETLAND BOUNDARY (WETLAND AND COASTAL RESOURCES) SUPPLIED BY GOLDER & ASSOCIATES, INC. AUGUST, 2005.

LEGEND

- EXISTING CONTOUR
- UNPAVED ROAD
- TREE
- TREE LINE
- WCR MAPPED WETLAND BOUNDARY PROVIDED BY GOLDER & ASSOCIATES, INC. AUGUST, 2005.
- KENNECOTT PROPERTY BOUNDARY
- PERIMETER FENCE
- TREATED WATER INFILTRATION SYSTEM
- PLANIMETRIC WETLAND NOTATION
- ORE BODY

Foth Infrastructure & Environment, LLC

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| APPROVED BY: | SVD1 | DATE: FEB. '07 | Prepared By: DAT |

Kennecott Eagle Minerals

# FIGURE 2

## FACILITY PLAN

Date: FEBRUARY, 2007

Scope: 04W018

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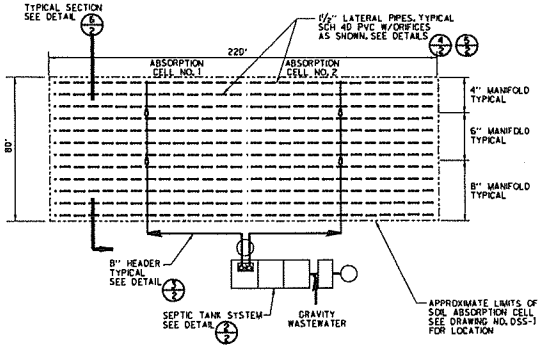
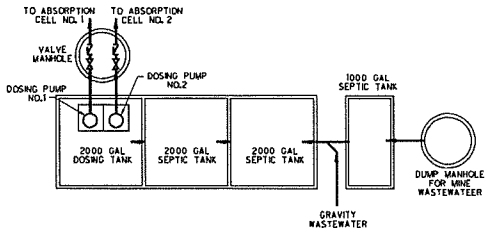
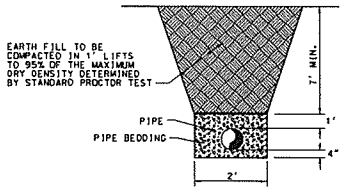



1/2 SEPTIC INFILTRATION SYSTEM - SCHEMATIC
NOT TO SCALE




2/2 SEPTIC TANK SYSTEM
NOT TO SCALE




3/2 TYPICAL TRENCH SECTION FOR BURIED PIPELINES
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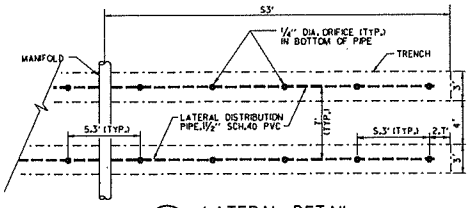
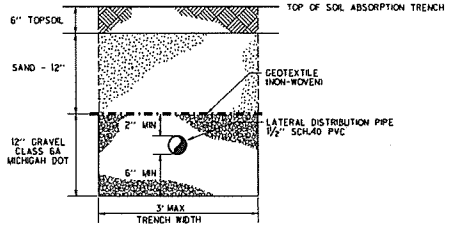
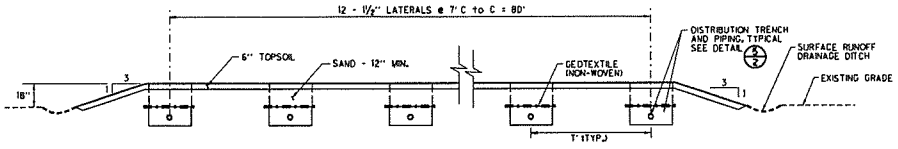



4/2 LATERAL DETAIL
NOT TO SCALE




5/2 DISTRIBUTION TRENCH AND PIPING DETAIL
NOT TO SCALE




6/2 ONSITE SEPTIC SYSTEM - TYPICAL SECTION
NOT TO SCALE

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| CHECKED BY: PAK | | | DATE: DEC. '05 |
| APPROVED BY: SVDI | | | DATE: DEC. '05 |
| APPROVED BY: | | | DATE: |

Kennecott Eagle Minerals

FIGURE 3

OSS DESIGN AND DETAILS

| | |
|---|---|
| Scale: NOT TO SCALE | Date: DECEMBER, 2005 |
| Prepared By: DAT | Scope: 04W018 |

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