



State of Utah

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Department of
Environmental Quality

Amanda Smith
Executive Director

Brad T Johnson
Deputy Director

September 15, 2011

Kelly Payne, P.G.
Manager - Environment
Kennecott Utah Copper LLC
4700 Daybreak Parkway
South Jordan, Utah, 84095

RE: Kennecott Utah Copper LLC's letter entitled *Annual Report on Zone A Plant Operations and Acid Plume Extraction Under NRD Consent Decree*, dated July 26, 2011

Dear Mr. Payne:

As the State Trustee for Natural Resource Damages (NRD Trustee), I have received and reviewed the above referenced annual report ("2011 Annual Report") which covers the operational period between June 1, 2010 and May 31, 2011. The Division of Environmental Response & Remediation (DERR) has also completed a review of this report. Kennecott Utah Copper LLC ("Kennecott") has satisfactorily reported on the operational history of the Zone A reverse osmosis treatment plant and acid water extractions for the fifth year of operations.

Since June 1, 2010 to May 31, 2011 represents the fifth year of operations at the Zone A reverse osmosis treatment plant, Kennecott's compliance with the production metrics listed under Paragraph III.G.2 of the 2004 Three Party Agreement (as amended in 2009) was evaluated by DERR. Based upon the 2011 Annual Report (which also accurately summarizes the production volumes from the previous four years), Kennecott has complied with the five year rolling average of 3,500 acre-feet/year of municipal quality water (reported volume was 3,562 acre-feet/year). During the operational period of June 1st to May 31st (2007 to 2011) Kennecott maintained an annual production volume between 3,150 and 3,850 acre-feet/year, with a minimal production volume reported for 2008 of 3,299 acre-feet/year.

Pursuant to Paragraph V.B of the 1995 Natural Resource Damage Consent Decree, Kennecott is required to extract a minimum of 400 acre-feet per year on a five year rolling average from the acid plume of Zone A. As reported in the 2011 Annual Report (which also accurately summarizes the production volumes from the previous four years), Kennecott has complied with the five year rolling average of 400 acre-feet/year of extracted acid plume water (reported average was 2,146 acre-feet/year). Over the operational period of June 1st to May 31st (2007 to 2011) Kennecott extracted a total volume of acid plume water ranging from 1,022 to 2,806 acre-feet/year.

SCANNED

DERR 2011-013612

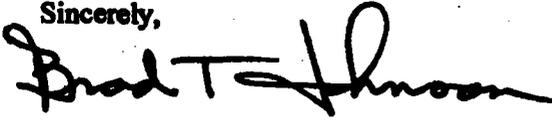
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If you have any questions, please do not hesitate to call Douglas Bacon (801-536-4282).

Sincerely,



Brad T Johnson
State of Utah Trustee for Natural Resource Damages

cc: Brent Everett, Director - Division of Environmental Response & Remediation (electronic)
Sandra Allen, Utah Attorney General Representative (electronic)
Douglas Bacon, Project Manger - Division of Environmental Response & Remediation (electronic)
Mark Atencio, Jordan Valley Water Conservancy District (electronic)

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DEPARTMENT OF ENVIRONMENTAL QUALITY