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UTU-63447

April 3, 1995

EXPRESS MAIL, NEXT DAY SERVICE
CERTIFIED MAIL
RRR No: P 309 469 690

E B KING
PRESIDENT
JUMBO MINING COMPANY
6305 FERN SPRING COVE
AUSTIN TX 78730

RE: BLM's compliance inspection on March 20, 1995 and Jumbo Mining Company's reply to the 43 CFR 3809 notice of noncompliance.

Dear Mr. King:

We are responding to your letter dated March 17, 1995, regarding the notice of noncompliance for the Drum Mine. The Bureau of Land Management's (BLM) objective in issuing Jumbo a notice of noncompliance was to maintain public safety and compliance with applicable Federal, State, and local regulations and laws, as well as, to prevent unnecessary and undue degradation of Federal land. We have no hidden agendas nor do we wish to hinder mining activity, as was suggested in your letter. To this end we have coordinated our review of operating practices at the Drum Mine, to the extent possible, with other appropriate regulatory agencies.

The notice of noncompliance mandated that specific actions be taken within specified time frames. On March 20, 1995, an on-site field inspection was conducted at the Drum Mine to document remediation of the noncompliance. We would like to thank David Hartshorn, Project Geologist for being available during the inspection to explain what corrective actions were taken in response to the notice of noncompliance. It must be noted that in reference to Item 1, actions were taken without prior approval of the BLM as required in the notice of noncompliance.

Item 1 mandated the securing of the site and an inventory, characterization, segregation and stabilization of materials in drums and other containers on-site. These actions were to be approved by the BLM prior to initiation. These actions were also to comply with the requirements of the National Contingency Plan, the provisions of the Hazardous Waste Operations for Emergency Response and the OSHA requirements for the protection of response personnel.

You responded by having employees at the Drum Mine prematurely segregate the barrels, based on what they believed the contents of the barrels to be. We did not approve this action and in fact this action has aggravated the situation. We are requiring a third party, not Jumbo, to test the contents of a representative number of the barrels. This will be done under the supervision of the BLM. You may select a qualified contractor from the Utah State, Department of Environmental Quality list enclosed with the notice of noncompliance or Rinchem/Utah, Kimmel King, (801) 763-0120 to complete this action.

Once the contents of the barrels have been identified and correctly inventoried, labeled, segregated and secured, Jumbo will be allowed to proceed with remediation, as proposed during our last inspection. If the contents of the barrels are incorrectly labeled, then testing of all the barrels will be required. Should you fail to comply, we will complete this action at your expense and commence appropriate cost recovery proceedings.

Storage of the drums containing sodium cyanide must comply with the U.S. Department of Labor Mine Safety and Health Administration, Work Practice Guidelines, for storage of cyanide mill reagents. These are as follows:

> A. *Storage enclosures*. Sodium, calcium and potassium cyanide shall be stored in a ventilated enclosure in which the material will be kept dry. The enclosure or storage area shall be posted with appropriate signs stating the contents and necessary safety precautions. The enclosure shall be secured to prevent entry by unauthorized persons.
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> B. *Enclosure floors*. If the storage enclosure has floor drainage for the cleanup of minor spills, the drainage shall be connected to the cyanide circuit. The storage area shall be floored in a manner that permits vacuuming and sweeping of major spills.
>
> C. *Separate storage*. Sodium, potassium and calcium cyanide containers shall not be stored where they can be exposed to acid vapors, acid salts or acids liberated by spillage or leakage. The containers shall not be stored with or near nitrates, peroxides or chlorates.
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> D. *Storage containers*. Sodium, potassium and calcium cyanide shall be kept in the original shipping containers until used. When small amounts are needed for laboratory or pilot mill use, the containers shall be similar in nature to the original shipping containers and be plainly labeled. These small containers shall be stored separately from other chemicals.

Item 2 cited inappropriate storage or disposal of lead acid batteries and tires on the mine site. In your letter replying to the notice of noncompliance, you stated the lead acid batteries will be properly disposed of in the near future. You explained the tires were left behind by Western States Minerals Corporation and that you need heavy equipment, not currently available at the site, to move them. Furthermore, you assert they will be disposed of during the reclamation of the property.

We appreciate your cooperation in disposing of the lead acid batteries. They must be recycled or properly disposed of off site at an approved disposal facility. Please retain a receipt and other documentation to confirm this action. You may address disposal of the tires in Jumbo's modified plan of operations for reclamation of the Drum Mine, which was required in the notice of noncompliance. Disposal of these tires is required at the earliest feasible time.

Item 3 discussed soil stains and chemical product spills along with the improper storage of chemicals. Some of these stains were associated with the drums in Item 1 above. Since these drums were relocated without BLM's supervision or approval, the source of the contamination, which may have been identified by the associated barrel(s), needs to be verified by analytical testing. As was indicated in the notice of noncompliance, we require that a qualified third party contractor, not Jumbo, conduct these tests under the supervision of the BLM. Prior to initiating this action a BLM representative will flag the soil stains and chemical product spills to be tested. Should Jumbo fail to comply, we will complete this action at your expense and commence appropriate cost recovery proceedings.

If these samples are intended for further use, they need to be properly stored. If they are waste, they may be buried in the waste dump. This is considered a reclamation issue. The accumulation of excessive amounts of trash and debris in and about the mine site could be regarded as unnecessary and undue degradation of the land, as described in the standards for 43 CFR 3809.1-3(d). These standards are incorporated by reference into 43 CFR 3809.1-5(c)(5). You may address storage and/or disposal of the subject samples along with your reclamation proposal for the Drum Mine, in Jumbo's modified plan of operations, which was required in the notice of noncompliance. Again, reclamation is required at the earliest feasible time.

Item 4 was the potential for classification of material in sample bags as hazardous waste. Mr. Hartshorn stated, prior to storing or disposing of the subject samples, a 100 gram split was taken for analysis in hot sodium cyanide solution. After completing the analysis, this fraction was rinsed and placed in the solution ponds. Mr. Hartshorn said the sample bags on the waste dump and those found at other sundry locations around the mine site were placed there after the 100 gram fraction was split out and have not been chemically treated. We no longer consider the material in the sample bags as potentially hazardous.

Item 5 was in reference to transformers on the mine site that might have contained dielectric fluids with PCBs. An inventory was conducted by Clark E. Bowen, MSHA certified electrician, and he has documented that all the transformers on the property are dry type units and that no PCBs are present on the site's electrical system. Mr. Bowen has verified this documentation.

Item 6 encompasses petroleum product storage, spills and/or leaks, which may be causing unnecessary and undue degradation of Federal land and ground water. If you have not done so already, by April 10, 1995, you must contact the State of Utah, Department of Environmental Quality, Division of Environmental Response and Remediation, 168 North 1950 West, Salt Lake City UT 84116, for the proper procedures to be followed to determine compliance. Jim Martin or Therron Blattes will be pleased to assist you, their telephone number is (801) 536-4100.

Item 7 involves contamination of the perched aquifer located on and adjacent to the Drum Mine property. If you have not done so already, by April 10, 1995, you must contact and arrange to meet with the BLM, the State of Utah, Division of Oil, Gas and Mining, and the State of Utah, Department of Environmental Quality, Division of Water Quality to discuss steps for proper evaluation and mitigation of this problem. Future operations and reclamation activities need to consider the integrity of the leach pads, collection ditches, piping, and solution ponds. The practical functionality of these components needs to be considered in Jumbo's modified plan of operations, which must include revised reclamation time frames for the Drum Mine, as was required in the notice of noncompliance.

Item 8 was concerned with the storage of potentially hazardous chemicals in the assay laboratory. Mr. Hartshorn stated the assay laboratory is operational and occasionally used. His statement provides evidence that chemicals contained therein should not be classified as hazardous waste. A proficient laboratory is customarily neatly kept and well maintained. Consistent chemical analysis requires good technique, which enhances confidence in the results. So long as potentially hazardous chemicals remain in the laboratory, to ensure employee and public safety, this area must be cleaned up and maintained in a safe and neat manner.

Item 9 required that an inventory of all explosive material on the property be conducted, for product specification and usage time frames. On March 20, 1995, Mr. Hartshorn provided the on-site inspectors with the required

inventory. He stated all explosive material is kept dry and secure in the powder or cap magazines. He also said that none of the products have exceeded their usage time frames.

Since our review of Jumbo's initial response has exceeded the required time frame specified for remediation in the notice of noncompliance, an extension is granted. Immediate corrective action for Items 1 and 3 must begin within 5 days of receipt of this letter and be completed by April 10, 1995. Corrective action for the other items must be initiated by April 10, 1995. Should you fail to follow these directives to remediate noncompliance issues, we will request other State and/or Federal agencies to take action against Jumbo in conformance with their regulations and laws.

During the BLM inspection on February 23, 1995, of the two trash dump trenches with numerous drums, barrels, and other containers (crushed, partially crushed, and uncrushed) marked cyanide, acid, etc. . ., as well as other metal wood and plastic materials were observed and photographed. It was not possible to determine if the containers were empty, partially full or full. Copies of these photographs will be made available to you, if requested.

We are requiring the waste in the disposal trenches to be sampled and characterized under the supervision of the BLM or the State of Utah, Division of Solid and Hazardous Waste. This is to ensure that no hazardous waste has been disposed of in the trenches. A representative number of the drums from the trench will be sampled. If properly rinsed, all uncrushed drums will need to be crushed. Any hazardous waste must be properly disposed of in an approved hazardous waste facility. Arrangements for excavating the waste from the trenches must be made by April 10, 1995 and completion as required by the State of Utah, Division of Solid and Hazardous Waste. Only nonhazardous solid waste may be disposed of at the waste dump.

If you have any questions about the contents of this letter, please contact Rody Cox at (801) 743-6811 or Terry McParland at (801) 539-4026.

Sincerely,

Rex Rowley
Area Manager

cc: Roger Foisy, State of Utah, Department of Environmental Quality, District Engineer, Central District

D. Wayne Hedberg, State of Utah, Division of Oil, Gas and Mining

Jason Knowlton, State of Utah, Department of Environmental Quality, Division of Environmental Response and Remediation

Jim Martin, State of Utah, Department of Environmental Quality, Division of Environmental Response and Remediation

Mark Novak, State of Utah, Department of Environmental Quality, Division of Water Quality

Jerry Regan, Millard County Planning and Zoning

Doug Taylor, State of Utah, Division of Solid and Hazardous Waste

bcc: Terry McParland, (UT-921)
Bill Wagner, (UT-932)
Michael Jackson, (UT-050)
Ed Bush, (UT-050)
Dave Grayson, Department of Interior Regional Solicitor

RCox:cqs