

Appendix C
Preliminary Hazardous
Materials Study

October 20, 2006
Project No. 601605002

Ms. Katrina Hardt, AICP
CirclePoint
135 Main Street, Suite 1600
San Francisco, California 94105

Subject: Preliminary Hazardous Materials Study
Arizona Eastern Railway
Graham County, Arizona

Dear Ms. Hardt:

In accordance with our proposal, P-91465, dated July 3, 2006, and your authorization, Ninyo & Moore has performed a preliminary hazardous materials study to identify possible hazardous waste sites in and near the project site that may affect the proposed improvements (Figure 1). The preliminary study consisted of a computerized database search of readily available government environmental lists and databases for the proposed alignment and for properties located adjacent to the proposed alignment, contact with regulatory agency representatives, if applicable, to discuss the current status of selected hazardous waste sites along the alignment that appear on the government agency database search, reviewing hazardous material issues associated with the operation of the rail line, and assessment of adjoining sites with potential hazardous materials impacts to the project. In addition, information obtained during the review of surface water and groundwater conditions along the corridor study area was also utilized in this study. This letter report describes our evaluation methodology, and presents our findings, and conclusions regarding the environmental concerns associated with the corridor study area.

COMPUTERIZED ENVIRONMENTAL DATABASE SEARCH

A computerized environmental database search was performed by All Lands on October 11, 2006. The search radius included the corridor study area and adjoining properties. The report included a search of federal, state, and local databases. A listing of the databases searched, the search distance, and the number of reported facilities of environmental concern is presented in Table 1. A copy of the complete environmental database report is included as Attachment A.

Table 1 – Database Search Summary

| Database | Date of Database | Approximate Minimum Search Distance (miles) | Reported Facilities |
|--|------------------|---|---------------------|
| Standard Federal ASTM Environmental Record Sources | | | |
| NPL (National Priorities List) / Proposed NPL / DOD (Department of Defense Sites) | 01/06 | 0.125 | 0 |
| Delisted National Priorities List | 02/06 | 0.125 | 0 |
| CERCLIS (Comprehensive Environmental Response, Compensation and Liability Information System)/No Further Remedial Action Planned (NFRAP) | 08/06 | 0.125 | 0 |
| RCRA (Resource Conservation and Recovery Act) Large and Small Quantity Generators | 08/06 | 0.125 | 0 |
| RCRA – CORRACTS TSDFs (Corrective Action Treatment, Storage, and Disposal Facilities) | 08/06 | 0.125 | 0 |
| RCRA – Non-CORRACTS TSDFs | 08/06 | 0.125 | 0 |
| ERNS (Emergency Response Notification System) | 08/06 | 0.125 | 0 |
| Standard State ASTM Environmental Record Sources | | | |
| WQARF (Water Quality Assurance Revolving Fund) Areas | 01/06 | 0.125 | 0 |
| Superfund Program List (replaces ACIDS) | 08/04 | 0.125 | 0 |
| Solid Waste Facilities/Landfill Sites – Operating and Closed | 05/99 & 05/04 | 0.125 | 0 |
| Registered USTs (Underground Storage Tanks) | 05/05 | 0.125 | 0 |
| LUSTs (Leaking Underground Storage Tanks) Incident Reports | 05/05 | 0.125 | 0 |
| Additional Environmental Record Sources | | | |
| RCRA Compliance Facilities | 08/06 | 0.125 | 0 |
| Hazardous Materials Incidents Emergency Response Logbook | 1984-06/01 | 0.125 | 0 |
| ADEQ Drywell Registration Database | 08/06 | 0.125 | 0 |
| Arizona Indoor Radon Survey Information | 6/16/93 | Site area zip code | See Attachment A |
| Environmental Permits | 08/06 | Site | 0 |
| Control Registries | 08/06 | Site | 0 |
| Brownfields / Voluntary Remediation Program | 08/06 | Site | 0 |
| Fire Insurance Maps | Various | Site and adjoining | 0 |
| VEMUR / DEUR / LIENS | 08/06 | Site | 0 |
| Arizona Department of Water Resources Well Registration Database | 02/06 | Site and adjoining | See Attachment A |

No reported facilities of environmental concern were noted during the environmental database search.

ENVIRONMENTAL CONCERNS ASSOCIATED WITH AREAS WITHIN AND ADJOINING THE CORRIDOR STUDY AREA

The railway corridor south of the Gila River extends north-south through agricultural land paralleling the San Simon River. The San Simon River is located adjacent to, and east of, the corridor study area (Figure 2). Several environmental issues of concern were identified within this portion of the corridor study area.

In the northeast corner of Section 23 and the southeast corner of Section 14 in Township 7 South, Range 26 East, where U.S. Highway 70 crosses the San Simon River, a grouping of agricultural structures were noted. Structures were noted in these locations in the 1935 Fairchild photographs reviewed at the Arizona State University Noble Library and are also present in current aerial photographs reviewed for this project. These areas may currently have on site or may have had in the past the following potential issues of environmental concern: septic systems, trash pits, burn pits, domestic and irrigation wells, and storage of pesticides and herbicides. Elevated levels of pesticide may be a potential problem with agricultural land included in the corridor areas. Additional agricultural structures were noted in the aerial photographs along the eastern border of Section 14 in Township 7 South, Range 26 East. This area may also be affected by the environmental concerns listed above. The agricultural structures described above, in addition to numerous wells, were also noted on 1960 and 1985 topographic maps of the region.

Another area of environmental concern was noted north of the Gila River in Section 11, Township 7 South, Range 26 East. In the area of the proposed corridor numerous unimproved dirt roads, potential residential structures and trailers, wildcat dumping, and potential trash pits/burn pits were noted. If residential structures are in place, septic systems may be located in the area. Located adjacent to the northwest of this area is a shooting range, which is part of the Dry Lake Park Recreation area. It is possible that hazardous materials associated with shooting range operations has affected portions of the corridor alignment located east of shooting range.

ENVIRONMENTAL CONCERNS ASSOCIATED WITH MINING OPERATION MATERIALS

In the northernmost portion of the corridor study area, in Sections 5, 6, 8, and 9, Township 6 South, Range 26 East, there are also areas of environmental concern (Figure 2). In this area the proposed railway corridor extends northwest-southeast between the proposed leach pad and solution extraction/electrowinning (SX/EW) plant. Numerous hazardous chemicals are likely to be stored in and around the SX/EW plant area for processing of the pregnant leach solution. These chemicals may include sulfuric acid, cobalt sul-

fate, diluents (organic solvents), extractants, and various fuel products. According to the Final Environmental Impact Statement, Dos Pobres/San Juan Project, published by the Bureau of Land Management in December, 2003, the consumption rate for sulfuric acid is estimated to be approximately 200,000 gallons per day over the life of the project. When running at full capacity, that equates to approximately 70 tanker trucks of acid per day.

If the railway will be used to transport any of these various hazardous materials or fuel products, care should be given to utilize appropriate safety measures in order to reduce the chance of spills or leaks along the railway corridor.

CONCLUSIONS AND RECOMMENDATIONS

Within the southern portion of the corridor study area, south of the Gila River, the primary environmental concerns are associated with current and historic agricultural use of the land. Historically, soils with elevated levels of pesticides/herbicides, trash/burn pits, septic systems, and wells have been associated with agricultural sites. Although domestic and irrigation wells and domestic septic systems are not considered environmental concerns under normal conditions, historic use of the wells or septic systems for alternative purposes such as pesticide/herbicide disposal or hydraulic/motor oil disposal may have occurred, resulting in potential soil or groundwater contamination.

North of the Gila River, wildcat dumping and potential individual residences were noted. Environmental concerns associated with such areas include trash/burn pits, wells and septic systems. In addition a shooting range is located west of the corridor study area. Although unlikely, shooting range-associated materials may have impacted the corridor study area.

The proposed Dos Pobres mining operation will be located near the northern portion of the corridor study area. According to figures in the Final EIS for the Dos Pobres/San Juan Project, the railway may extend adjacent to the leach field and SX/EW plant. Numerous hazardous chemicals, such as sulfuric acid, are associated with the mining operations. Potential impacts to railway construction and subsequent usage of the railway by accidental releases of these chemicals should be assessed prior to the selection of chemical storage areas.

The potential environmental concerns discussed above are summarized in the following table.

Table 2 – Potential Environmental Concerns

| Potential Environmental Concern | Location | Within Corridor Study Area | Outside Corridor Study Area |
|---|--|----------------------------|-----------------------------|
| Septic systems* | Sections 11, 14, & 23, T7S, R26E | x | |
| Trash pits | Sections 11, 14, & 23, T7S, R26E | x | |
| Burn pits | Sections 11, 14, & 23, T7S, R26E | x | |
| Elevated levels pesticides and/or herbicides | Sections 14, & 23, T7S, R26E | x | |
| Wildcat dumping | Full corridor study area | x | x |
| Wells* | Sections 11, 14, & 23, T7S, R26E Sections 5, 6, 8, & 9, T6S, R26E | x | |
| Shooting range-associated materials | Section 11, T7S, R26E | | x |
| Chemicals associated with mining operations | Sections 5, 6, 8, & 9, T6S, R26E | | x |
| * Although domestic and irrigation wells and domestic septic systems are not considered environmental concerns under normal conditions, historic use of the wells or septic systems for alternative purposes such as pesticide/herbicide disposal or hydraulic/motor oil disposal may have occurred resulting in potential soil or groundwater contamination. | | | |

A limited field reconnaissance survey would be necessary to further evaluate the nature and extent of possible impacts associated with the potential environmental concerns referenced in Table 2. Sampling and analysis of suspect environmental media may be warranted based on conditions observed in the field.

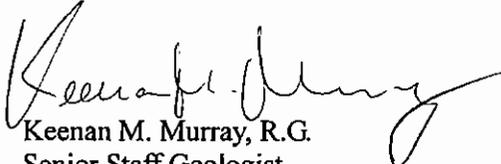
LIMITATIONS

The preliminary hazardous materials study presented in this letter has been conducted in general accordance with current practice and the standard of care exercised by environmental consultants performing similar tasks. No warranty, expressed or implied, is made regarding the conclusions, recommendations, and opinions presented in this letter. Other potential environmental concerns may be associated with the site that were not revealed during this study.

Our conclusions, recommendations, and opinions are based on published information, contact with regulatory agencies, and other historical data. It should be understood that the conditions of a site could change with time as a result of natural processes or the activities of man at the subject site or nearby sites.

In addition, changes to the applicable laws, regulations, codes, and standards of practice may occur due to government action or the broadening of knowledge. The findings of this letter may, therefore, be invalidated over time, in part or in whole, by changes over which Ninyo & Moore has no control.

Sincerely,
NINYO & MOORE


Keenan M. Murray, R.G.
Senior Staff Geologist


Lee Morris, R.G.
Senior Geologist

KMM/LM/hmm

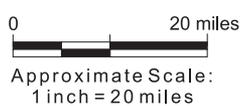
Attachments: Selected References
Figure 1 – Site Location Map
Figure 2 – Approximate Railway Alignment Map
Attachment A – Environmental Database Report

Distribution: (3) Addressee

SELECTED REFERENCES

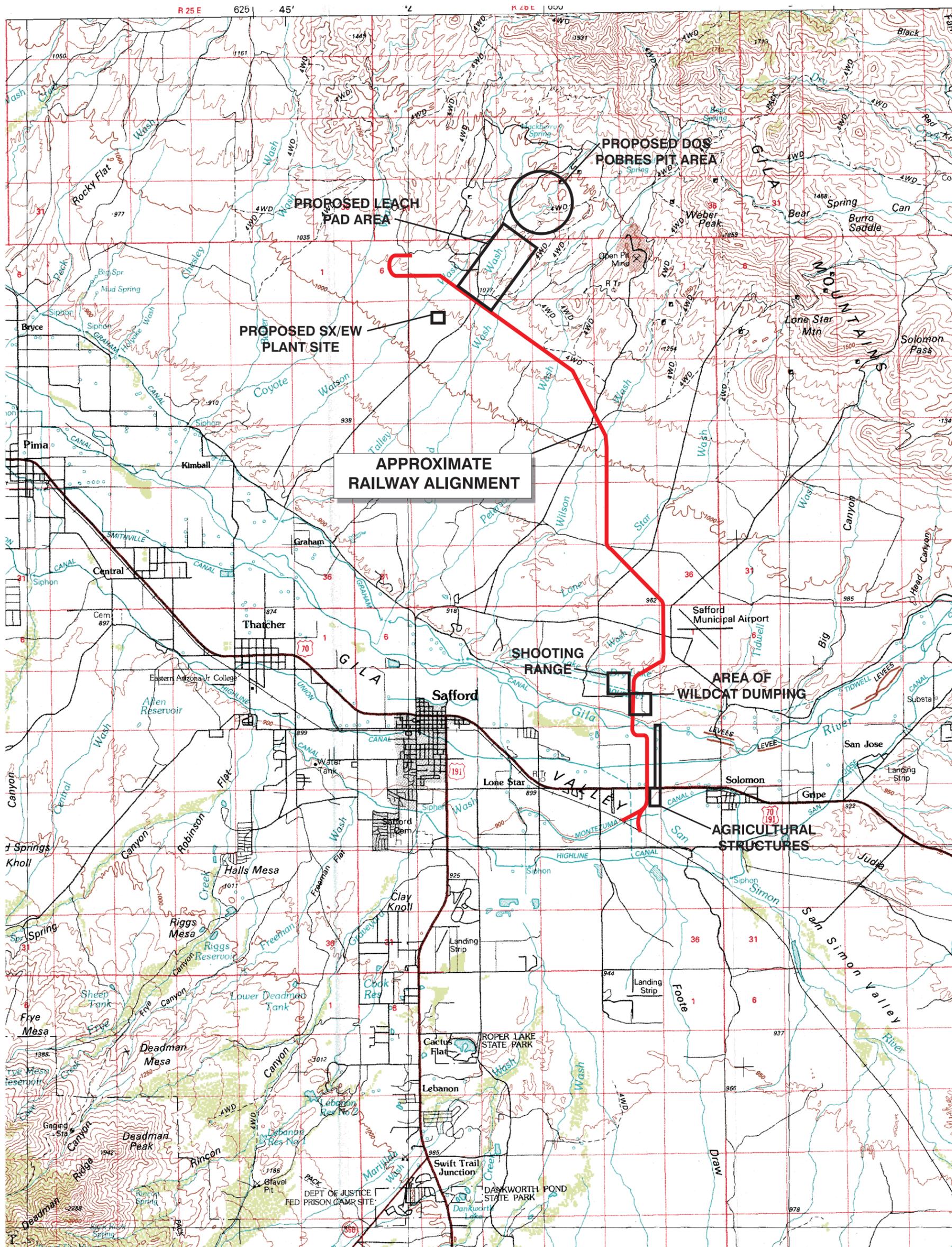
- All Lands, 2006, Corridor Database Search, All Lands File No. 2006-10-031D, October 11.
- Arizona Department of Water Resources, 1987, Hydrologic Map Series Report No. 20: Maps showing groundwater conditions in the Gila Valley sub-basin of the Safford Basin, Graham and Greenlee Counties, Arizona.
- Arizona State University Noble Library Map Collection, 1964, Arizona State Highway Department, Photogrammetry and Mapping Division, Safford area, 1:24,000 scale.
- Arizona State University Noble Library Map Collection, 1935, Soil Conservation Service (Fairchild) Photographs, 1:62,500 scale.
- Bureau of Land Management, 2003, Final Environmental Impact Statement, Dos Pobres/San Juan Project Volume I and II, December.
- Google™ Earth, 2006, Year Reviewed: 2006, <http://earth.google.com/>.
- Rupp Aerial Photography, 2006, Year Reviewed: 1980, Safford area.
- TerraServer USA, 2006, Year Reviewed: 1998, <http://terraserver.microsoft.com/advfind.aspx>.
- United States Geological Survey, 15-Minute Topographic Quadrangle Map Series, Safford, Arizona, 1960.
- United States Geological Survey, 7.5-Minute Topographic Quadrangle Map Series, Safford, Arizona, provisional edition, 1985.
- United States Geological Survey, 7.5-Minute Topographic Quadrangle Map Series, Weber Peak, Arizona, provisional edition, 1985.

FIGURES



SOURCE: Microsoft Streets and Trips, 2006.

| | | | |
|--------------------------|----------------|---|----------|
| | | SITE LOCATION MAP | FIGURE |
| PROJECT NO: 601605002 | DATE: 10/06 | ARIZONA EASTERN RAILWAY GRAHAM COUNTY, ARIZONA | 1 |



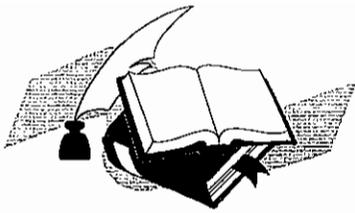
0 1.57 miles
 APPROXIMATE SCALE:
 1 INCH = 1.57 miles

Source: USGS 1985 Safford Topographic Map
 NOTE: ALL BOUNDARIES AND LOCATIONS ARE APPROXIMATE.

| | | |
|---|--|--------------------------|
| APPROXIMATE RAILWAY ALIGNMENT MAP | | |
| ARIZONA EASTERN RAILWAY GRAHAM COUNTY, ARIZONA | | |
| Ninyo & Moore | | PROJECT NO: 601605002 |
| | | DATE: 10/06 |
| | | 2 |

FILE NO. 1605ALIGN1006

ATTACHMENT A
ENVIRONMENTAL DATABASE REPORT



ALL LANDS

14947 W. Piccadilly Road, Goodyear, AZ 85338
(623) 535-7800 Fax (623) 535-7900

CORRIDOR DATABASE SEARCH

YOUR FILE NO: 601605002 (Circle Point)

ALLANDS FILE NO: 2006-10-031D

DATE: October 11, 2006

ALL LANDS hereby reports the search results of Federal and State Databases. This is a confidential, privileged and protected document for the use of Ninyo & Moore. All Lands is not responsible for errors in the available records. The total liability is limited to the fee paid for this report.

1. The land referred to in this report is located in Graham County, Arizona, described as follows:

Property located along a corridor starting at the Arizona Eastern Railroad tracks South of Highway 70/191 and heading north towards the San Carlos Indian Reservation, East of Safford, Arizona, being in Townships 6 South and 7 South, Range 26 East, Gila and Salt River Base and Meridian.

DATABASE SEARCH SUMMARY

| Database | Date of Database | Approximate Minimum Search Distance (miles) | Reported Facilities |
|--|------------------|---|---------------------|
| Standard Federal ASTM Environmental Record Sources | | | |
| NPL (National Priorities List) / Proposed NPL / DOD (Department of Defense Sites) | 01/06 | 0.125 | 0 |
| Delisted National Priorities List | 02/06 | 0.125 | 0 |
| CERCLIS (Comprehensive Environmental Response, Compensation and Liability Information System)/No Further Remedial Action Planned (NFRAP) | 08/06 | 0.125 | 0 |
| RCRA (Resource Conservation and Recovery Act) Large and Small Quantity Generators | 08/06 | 0.125 | 0 |
| RCRA – CORRACTS TSDFs (Corrective Action Treatment, Storage, and Disposal Facilities) | 08/06 | 0.125 | 0 |
| RCRA – Non-CORRACTS TSDFs | 08/06 | 0.125 | 0 |
| ERNS (Emergency Response Notification System) | 08/06 | 0.125 | 0 |
| Standard State ASTM Environmental Record Sources | | | |
| WQARF (Water Quality Assurance Revolving Fund) Areas | 01/06 | 0.125 | 0 |
| Superfund Program List (replaces ACIDS) | 08/04 | 0.125 | 0 |
| Solid Waste Facilities/Landfill Sites – Operating and Closed | 05/99 & 05/04 | 0.125 | 0 |
| Registered USTs (Underground Storage Tanks) | 05/05 | 0.125 | 0 |
| LUSTs (Leaking Underground Storage Tanks) Incident Reports | 05/05 | 0.125 | 0 |
| Additional Environmental Record Sources | | | |
| RCRA Compliance Facilities | 08/06 | 0.125 | 0 |
| Hazardous Materials Incidents Emergency Response Logbook | 1984-06/01 | 0.125 | 0 |
| ADEQ Drywell Registration Database | 08/06 | 0.125 | 0 |
| Arizona Indoor Radon Survey Information | 6/16/93 | Site area zip code | See text |
| Environmental Permits | 08/06 | Site | 0 |
| Control Registries | 08/06 | Site | 0 |
| Brownfields / Voluntary Remediation Program | 08/06 | Site | 0 |
| Fire Insurance Maps | Various | Site and adjoining | 0 |
| VEMUR / DEUR / LIENS | 08/06 | Site | 0 |
| Arizona Department of Water Resources Well Registration Database | 02/06 | Site and adjoining | See text |

Allands contacts the appropriate sources on a monthly basis to maintain currency of data

Standard Federal ASTM Environmental Record Sources

SUPERFUND NATIONAL PRIORITIES LIST (NPL)

Under Section 105 of the Comprehensive Environmental Response, Compensation and Liability Act the Environmental Protection Agency established a National Priorities List (NPL) of Superfund sites. In addition, Proposed NPL and DOD (Department of Defense) Sites are researched in the section. These databases are provided by the EPA and the Arizona Department of Environmental Quality, dated January, 2006, and searched to identify all NPL/Proposed NPL/ DOD sites within a 1.0 mile search distance from subject property exterior boundaries.

No National Priorities List (NPL) / Proposed NPL / DOD Sites were found located within a 1.0 mile search distance from subject property exterior boundaries.

DELISTED NATIONAL PRIORITIES LIST

Site may be delisted from the National Priorities List where no further response is appropriate. This database is provided by the Environmental Protection Agency, dated February 2006, and searched to identify all Delisted NPL Sites within a 0.5 mile search distance from subject property exterior boundaries.

No Delisted National Priorities List (NPL) Sites were found located within a 0.5 mile search distance from subject property exterior boundaries.

FEDERAL CERCLIS / NFRAP LIST

The CERCLIS list contains sites which are either proposed to or on the NPL and sites which are in the screening and assessment phase for possible inclusion on the NPL. Those sites on the NFRAP list have no further remediation action planned. This database is provided by EPA dated August, 2006, and searched for facilities within a 0.5 mile search distance from subject property exterior boundaries.

No CERCLIS / NFRAP facilities were found located within a 0.5 mile search distance from subject property exterior boundaries.

RESOURCE CONSERVATION AND RECOVERY ACT FACILITIES (RCRA)

Under RCRA the Environmental Protection Agency compiles a database of facilities that are involved in the generation of hazardous materials. This database is from the Arizona Department of Environmental Quality RCRAInfo Database, dated August, 2006, and checked for Federal RCRA facilities located within a <=0.125 mile search radius of subject property.

No Federal RCRA handlers were found located within a <=0.125 mile search radius of subject property.

CODES:

LQG: Large quantity generator (more than 1000 kg per month)
SQG: Small quantity generator (100 – 1000 kg per month)
CEG: Conditionally exempt small quantity generator (less than 100 kg per month)
N : Not a generator verified or inactive generator

CORRACTS FACILITIES

Under RCRA the Environmental Protection Agency compiles a database of Corrective Action Sites, sites with known contamination. Also known as the RCRA CORRACTS List, this is a list maintained by the EPA of RCRA sites at which contamination has been discovered and where some level of corrective clean-up activity has been undertaken. For example, a site may have been on the RCRA TSD or the RCRA Generators site list, and was placed on the CORRACTS list once contamination was discovered and remediation was underway. This database is dated August, 2006, and checked for facilities which occurred within a 1.0 mile search radius of subject property.

No Facilities were found which occurred within a 1.0 mile search radius of subject property.

TSD FACILITIES

Under RCRA the Environmental Protection Agency compiles a database of facilities that are involved in the transportation, treatment, storage, or disposal of hazardous materials. This database is from the Arizona Department of Environmental Quality Arizona Hazardous Waste Treatment, Storage and Disposal Facilities, dated August, 2006, and checked for Facilities which occurred within a 0.5 mile search radius of subject property.

No TSD Facilities were found which occurred within a 0.5 mile search radius of subject property.

FEDERAL EMERGENCY RESPONSE NOTIFICATION SYSTEM (ERNS) LIST

The ERNS list is a national database used to collect information on reported releases of oil and hazardous substances. This database is provided by the National Response Center and the EPA through the Right of Know Net by OMB Watch and Unison Institute from 1983 to August, 2006, and checked for incidents located within a ≤ 0.125 mile search distance from subject property exterior boundaries.

No incidents were found located within a ≤ 0.125 mile search distance from subject property exterior boundaries.

Standard State ASTM Environmental Record Sources

WATER QUALITY ASSURANCE REVOLVING FUND (WQARF)

The state of Arizona established a remedial program under A.R.S. 49-282 to facilitate the conservation and clean-up of Arizona drinking water and water sources. Under the authority of the WQARF program, the state actively identifies any actual or potential impact upon state waters, evaluates the extent of contamination, identifies parties responsible, and provides money grants to assist in clean-up activities. This database is provided by the Arizona Department of Environmental Quality dated January, 2006, and searched to identify all WQARF sites within a 1.0 mile search distance from subject property exterior boundaries.

No WQARF Registry List sites were found located within a 1.0 mile search distance from subject property exterior boundaries.

ARIZONA SUPERFUND PROGRAM LIST

The Arizona Superfund Program List replaces the Arizona CERCLIS Information Data System (ACIDS). This list is more representative of the sites and potential sites within jurisdiction of the Arizona Department of Environmental Quality Superfund Programs Section (SPS). This database is provided by the Arizona Department of Environmental Quality, dated August, 2004, and searched to identify all sites within a 0.5 mile search distance from subject property exterior boundaries.

No facilities on the Arizona Superfund Program List were found located within a 0.5 mile search distance from subject property exterior boundaries.

Program Status codes:

| | |
|-------------|---|
| Pending PI | WQARF Preliminary Investigation (PI) is scheduled or in process |
| On Registry | PI has resulted in inclusion of a site on the WQARF Registry |
| ACTIVE | The Department of Defense is presently addressing the site |
| On NPL | site has been listed on the CERCLA National Priorities List |

LANDFILLS

The state of Arizona maintains listings of closed and permitted, operating landfills and solid waste dump sites. Lists of closed facilities are not necessarily complete - older dumping areas may not be documented. This database is from the Arizona Department of Environmental Quality Waste Programs Division; Solid Waste Section Directory of Arizona Active and Inactive Landfills dated May, 1999 and May, 2004, and checked for active and inactive landfills located within a 0.5 mile search distance from subject property exterior boundaries.

No active nor inactive landfills were found located within a 0.5 mile search distance from subject property exterior boundaries.

Codes:

| | |
|---------------|--|
| MSWLF: | Municipal Solid Waste Landfills |
| CSWLF: | Closed Solid Waste Landfills |
| CSWOD: | Closed Solid Waste Dumps |

REGISTERED UNDERGROUND STORAGE TANKS (UST)

State (A.R.S. 49-1001 to 1014) and Federal (RCRA Subtitle I) laws require that persons who own or have owned underground storage tanks containing "regulated substances" complete a notification form and register the tank with the state. Tribal UST records are researched when subject property exterior boundaries are within search distance of Tribal lands. This database is from the Arizona Department of Environmental Quality UST Log dated May, 2005, and searched for UST sites located within a ≤ 0.125 mile search distance from subject property exterior boundaries.

No registered underground storage tanks were found located within a ≤ 0.125 mile search distance from subject property exterior boundaries.

REGISTERED LEAKING UNDERGROUND STORAGE TANKS (LUST)

Owners of USTs are required to report to the Arizona Department of Environmental Quality any and all releases of tank contents for which ADEQ maintains an ongoing file documenting the nature of contamination and the status of each such incident. Tribal LUST records are researched when subject property exterior boundaries are within search distance of Tribal lands. This database is from the ADEQ LUST Log dated May, 2005, and searched for LUST sites located within a 0.5 mile search distance from subject property exterior boundaries.

No registered leaking underground storage tanks were found located within a 0.5 mile search distance from subject property exterior boundaries.

Additional Environmental Record Sources

RESOURCE CONSERVATION AND RECOVERY ACT (RCRA) COMPLIANCE FACILITIES

The RCRA Compliance Log lists facilities that have been or presently are under investigation for non-compliance with RCRA regulations. Inclusion of any facility on this list indicates a history of compliance problems and RCRA regulatory violation. This database is from the Arizona Department of Environmental Quality RCRA Compliance Log, dated August, 2006, and searched for compliance facilities within a ≤ 0.125 mile search distance from subject property exterior boundaries.

No compliance facilities were found located within a ≤ 0.125 mile search distance from subject property exterior boundaries.

HAZARDOUS MATERIAL INCIDENTS

The Arizona Department of Environmental Quality (ADEQ) Response Team documents spills and incidents involving hazardous materials that are reported to the unit. This database is from the Arizona Department of Environmental Quality Emergency Response Log from 1984 through June, 2001, and checked for hazardous material incidents located within a ≤ 0.125 mile search distance from subject property exterior boundaries.

No hazardous material incidents were found located within a ≤ 0.125 mile search distance from subject property exterior boundaries.

ADEQ DRY WELL REGISTRATION DATA BASE

Dry wells are constructed for the purpose of collecting storm waters. Dry wells are required to be registered with ADEQ. This database is from the ADEQ dry well registration database dated August, 2006, and searched for dry wells located within a ≤ 0.125 mile search distance from subject property exterior boundaries.

No registered dry wells were found located within a ≤ 0.125 mile search distance from subject property exterior boundaries.

ENVIRONMENTAL PERMITS

These lists include Groundwater Permits, Reuse Permits; National Pollutant Discharge Elimination System (NPDES) Permitted Facilities and Aquifer Protection Permits. Any facility which discharges a material that directly or indirectly adds any pollutant to the waters of the state may be required to obtain a permit as required by the Aquifer Protection Permit Rules. These databases are from the Arizona Department of Environmental Quality through its AZURITE Database System and the Environmental Protection Agency and updated to August, 2006, and checked for inclusion of subject property.

Subject property was not found on these lists.

CONTROL REGISTRIES

Under ASTM E 1527-05, Federal, State and Tribal institutional control / engineering control registries need to be researched. The Arizona Department of Environmental Quality has developed the AZURITE Database, reviewed through ADEQ GIS eMaps, which retrieves any institutional or engineering controls, dated August, 2006, and searched for sites which occurred at subject property or adjoining properties.

No institutional or engineering controls were found which occurred at subject property or adjoining properties.

BROWNFIELDS / VOLUNTARY CLEANUP PROGRAM

The Arizona Department of Environmental Quality has developed the AZURITE Database, reviewed through ADEQ GIS eMaps, which includes the ADEQ Voluntary Remediation Program and the ADEQ Brownfields Tracking System, dated August, 2006, and searched for sites which occurred within a 0.5 mile search distance from subject property exterior boundaries.

No brownfield sites were found which occurred within a 0.5 mile search distance from subject property exterior boundaries.

**ARIZONA RADIATION REGULATORY AGENCY
HOME RADON SURVEY**

The Arizona Radiation Regulatory Agency, in cooperation with the EPA, initiated a program to measure radon concentrations with the primary goal of determining the statewide distribution of radon and identify areas of potentially high concentrations. This database is from the ARRA Home Radon Survey revised June 16, 1993, for the subject property zipcode.

| ZIPCODE | HIGH VALUE in picoCuries/liter | NO. OF TESTS | TESTS <4.0 pCi/L | TESTS at 4.0+ pCi/L |
|----------------|---|---------------------|--------------------------------|--------------------------------|
| 85546 | 7.5 | 35 | 33 | 2 |
| 85551 | 0.9 | 1 | 1 | 0 |

FIRE INSURANCE MAPS

A review was made at the Arizona State Capital Archives for Fire Insurance Maps, more commonly known as Sanborn Maps, which covered the area in which the subject property is located. Subject property is not located within the boundaries of available maps.

**VOLUNTARY ENVIRONMENTAL MITIGATION USE RESTRICTIONS BY
OWNERS (VEMUR'S); DECLARATION OF ENVIRONMENTAL USE
RESTRICTIONS (DEUR); AND ENVIRONMENTAL LIENS**

A.R.S. 49-152. This states that the Director of the Arizona Department of Environmental Quality shall allow property owners, who have voluntarily elected to remediate their property for nonresidential uses, to record in the applicable county recorders office a VEMUR limiting, by legal description, the area necessary to protect public health and the environment to nonresidential uses if contamination remains on the property at or above certain levels. In accordance with Arizona Administrative Code (A.A.C.) R18-7-201 et. Seq., a Declaration of Environmental Use Restriction (DEUR) is a voluntary notice to deed which restricts the use of a property to non-residential use.

No VEMUR'S, DEUR'S; Environmental Liens, or activity and use limitations, if any, were found currently recorded against the property as searched at the subject county recorders office.

**ARIZONA DEPARTMENT OF WATER RESOURCES
WELL REPORT**

This database is from the Arizona Department of Water Resources Well Report Operations Division Report, dated February, 2006. This report identifies existing wells sequenced by legal description and checked for inclusion of subject site and adjacent properties within 10 Acres.

Imaged Records are available at: <http://www.water.az.gov/adwr/Content/ImagedRecords/default.htm>

Water Uses (WU)

A Irrigation
 B Utility (Water Co.)
 C Commercial
 D Domestic
 E Municipal
 F Industrial
 G Recreational
 H Subdivision
 I Mining
 J Stock
 K Other - Exploration
 L Drainage
 M Monitoring
 N None
 O Other - Non-Production
 R Recharge
 T Test
 V dewatering

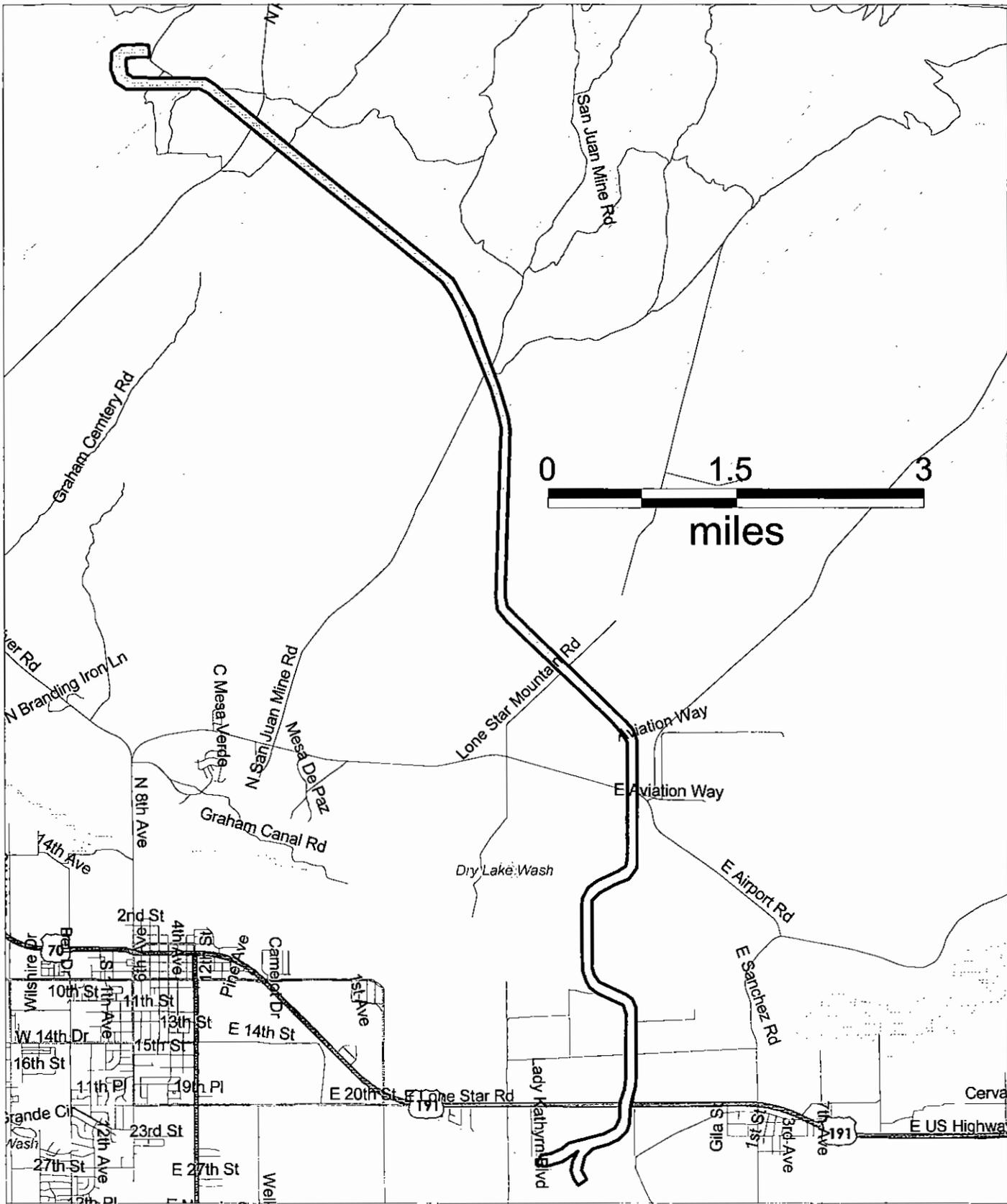
Legal Description

T Township
 N/S North or South
 R Range
 E/W East or West
 S Section
 Q1 Quarter of Section (160 Acres)
 Q2 Quarter Quarter of Section (40 Acres)
 Q3 Quarter Quarter Quarter of Section (10 acres)
 ID Well Registration Number
 WD Well Depth
 WL Water Level
 DIA Casing width

| ID | T | N/S | R | E/W | S | Q1 | Q2 | Q3 | WU | WD | WL | DIA | NAME |
|--------|---|-----|----|-----|----|----|----|----|----|------|-----|-----|--------------------------|
| 538838 | 6 | S | 26 | E | 5 | NW | SW | SE | | 720 | 497 | 10 | Phelps Dodge Corp, |
| 594380 | 6 | S | 26 | E | 5 | SW | SW | SW | T | 0 | 0 | 0 | Phelps Dodge Safford Inc |
| 598643 | 6 | S | 26 | E | 5 | SW | SW | SW | M | 0 | 0 | 0 | Phelps Dodge Safford Inc |
| 594379 | 6 | S | 26 | E | 7 | NE | NE | NE | T | 0 | 0 | 0 | Phelps Dodge Safford Inc |
| 566039 | 6 | S | 26 | E | 8 | | | | N | 120 | 0 | 0 | Phelps Dodge Mining Co |
| 539454 | 6 | S | 26 | E | 8 | NE | NE | NW | M | 740 | 455 | 10 | Phelps Dodge Corp, |
| 556591 | 6 | S | 26 | E | 8 | NE | NE | SE | T | 1210 | 585 | 2 | Phelps Dodge Mining, |
| 561741 | 6 | S | 26 | E | 8 | NE | NE | SW | M | 0 | 0 | 0 | Phelps Dodge Mining, |
| 539452 | 6 | S | 26 | E | 9 | NE | NE | SW | M | 800 | 539 | 10 | Phelps Dodge Corp, |
| 561742 | 6 | S | 26 | E | 9 | NE | SE | NW | M | 0 | 0 | 0 | Phelps Dodge Mining, |
| 556057 | 6 | S | 26 | E | 9 | SW | SW | NE | M | 500 | 406 | 10 | Phelps Dodge Mining, |
| 556058 | 6 | S | 26 | E | 15 | NE | NW | NE | M | 580 | 470 | 7 | Phelps Dodge Mining, |
| 556044 | 6 | S | 26 | E | 16 | NE | NE | NE | T | 560 | 0 | 7 | Phelps Dodge Mining, |
| 617416 | 6 | S | 26 | E | 26 | SW | SW | SW | F | 1380 | 126 | 20 | Phelps Dodge Corp, |

**ARIZONA DEPARTMENT OF WATER RESOURCES
WELL REPORT (cont.)**

| ID | T | N/S | R | E/W | S | Q1 | Q2 | Q3 | AWC | AVD | AWL | DIA | NAME |
|--------|---|-----|----|-----|----|----|----|----|-----|-----|-----|-----|--------------------------|
| 651377 | 7 | S | 26 | E | 13 | SW | SW | SW | A | 90 | 25 | 16 | Claridge, Alf,B |
| 651370 | 7 | S | 26 | E | 14 | NE | NE | SE | A | 60 | 25 | 16 | Claridge, Alf,B |
| 651369 | 7 | S | 26 | E | 14 | NE | SE | NE | A | 65 | 20 | 18 | Claridge, Alf,B |
| 651368 | 7 | S | 26 | E | 14 | NE | SE | SE | A | 65 | 25 | 16 | Claridge, Alf,B |
| 651371 | 7 | S | 26 | E | 14 | NE | SE | SW | A | 60 | 20 | 16 | Claridge, Alf,B |
| 651372 | 7 | S | 26 | E | 14 | NE | SW | SE | A | 60 | 20 | 18 | Claridge, Alf,B |
| 651365 | 7 | S | 26 | E | 14 | SE | NE | NE | A | 68 | 25 | 16 | Claridge, Alf,B |
| 651366 | 7 | S | 26 | E | 14 | SE | NE | NW | A | 60 | 25 | 16 | Claridge, Alf,B |
| 651367 | 7 | S | 26 | E | 14 | SE | NW | NW | A | 60 | 25 | 18 | Claridge, Alf,B |
| 651360 | 7 | S | 26 | E | 14 | SE | SE | SE | A | 98 | 35 | 18 | Claridge, Alf,B |
| 651359 | 7 | S | 26 | E | 14 | SE | SE | SE | A | 98 | 45 | 16 | Claridge, Alf,B |
| 651361 | 7 | S | 26 | E | 14 | SE | SE | SE | A | 96 | 40 | 16 | Claridge, Alf,B |
| 651362 | 7 | S | 26 | E | 14 | SE | SE | SW | A | 96 | 40 | 18 | Claridge, Alf,B |
| 651363 | 7 | S | 26 | E | 14 | SE | SW | SE | A | 96 | 20 | 16 | Claridge, Alf,B |
| 611209 | 7 | S | 26 | E | 23 | | | | D | 90 | 30 | 6 | Hancock,I F |
| 651388 | 7 | S | 26 | E | 23 | NE | NE | NE | A | 98 | 20 | 16 | Phelps Dodge Corporation |
| 651387 | 7 | S | 26 | E | 23 | NE | NE | SE | A | 98 | 24 | 18 | Phelps Dodge Corporation |
| 618588 | 7 | S | 26 | E | 23 | NE | NW | NE | A | 87 | 23 | 6 | Larson,T |
| 618585 | 7 | S | 26 | E | 23 | NE | NW | NW | A | 90 | 19 | 8 | Larson,G R |
| 618586 | 7 | S | 26 | E | 23 | NE | SE | NW | A | 90 | 30 | 16 | Larson,T |
| 568246 | 7 | S | 26 | E | 23 | NE | SE | SE | D | 78 | 25 | 6 | Johnson |
| 611210 | 7 | S | 26 | E | 23 | NW | | | D | 190 | 60 | 6 | Hancock,I F |
| 651389 | 7 | S | 26 | E | 23 | SE | NE | NE | A | 98 | 25 | 16 | Claridge, Alf,B |
| 599367 | 7 | S | 26 | E | 23 | SE | NW | NE | D | 0 | 50 | 8 | Matthews |
| 201857 | 7 | S | 26 | E | 23 | SE | NW | NE | D | 0 | 0 | 0 | Matthews |
| 201858 | 7 | S | 26 | E | 23 | SE | NW | NE | D | 0 | 0 | 0 | Matthews |
| 200584 | 7 | S | 26 | E | 23 | SE | NW | NE | D | 93 | 50 | 8 | Matthews |
| 599881 | 7 | S | 26 | E | 23 | SE | NW | NE | | 0 | 0 | 0 | Matthews |
| 579890 | 7 | S | 26 | E | 23 | SW | NW | NW | D | 90 | 33 | 8 | Johnson |
| 588176 | 7 | S | 26 | E | 23 | SW | NW | NW | D | 90 | 35 | 8 | Slover |
| 583304 | 7 | S | 26 | E | 23 | SW | NW | NW | D | 90 | 37 | 8 | Slover |
| 576671 | 7 | S | 26 | E | 23 | SW | NW | NW | D | 90 | 32 | 8 | Johnson |
| 583428 | 7 | S | 26 | E | 23 | SW | NW | NW | D | 90 | 36 | 8 | Slover |
| 623259 | 7 | S | 26 | E | 24 | NW | NW | NW | A | 96 | 29 | 16 | Welker/Kempton, |
| 623258 | 7 | S | 26 | E | 24 | NW | NW | NW | A | 97 | 57 | 16 | Welker/Kempton, |
| 623260 | 7 | S | 26 | E | 24 | NW | NW | NW | A | 97 | 28 | 16 | Welker/Kempton, |



LEGEND

| | | | | | |
|--|-------------|------|-----------------|---------------------------------------|-----------------------|
| | SITE | USTs | CERCLA / NFRAP | RCRA (Generators, TSD & CORRACTS TSD) | SCHOOL |
| | LUSTs | SARA | RCRA COMPLIANCE | LANDFILLS | * MULTIPLE FACILITIES |