

QUARTERLY PROGRESS REPORT

AS REQUIRED BY

**SETTLEMENT AGREEMENT AND
ADMINISTRATIVE ORDER ON CONSENT
(AOC3)**

SECTION XIII, PARAGRAPHS 1 and 2.

SUBMITTED BY

BASIC REMEDIATION COMPANY

DATED JANUARY 15, 2019

1. Introduction

This Quarterly Progress Report is being submitted to the Nevada Division of Environmental Protection (NDEP) pursuant to the requirements of Paragraphs 1 and 2 of Section XIII of the AOC3 executed between the Parties and NDEP on February 15, 2006. The format of this report is based on the requirements stated in Paragraph 1 of Section XIII. This report covers activities between October 1 and December 31, 2018.

2. Actions Taken Towards Achieving Compliance

Maintenance activities at the CAMU continued as needed, including leachate collection and offsite disposal. As noted in the previous report, for a variety of reasons, the renewal of the CAMU RAP will be postponed for a couple of years. The current RAP will continue to be in effect. BRC is also exploring the possibility of installing an on-site lined impoundment for the disposal of leachate from the CAMU. BRC will explore discussions on this issue with EPA.

BRC submitted the DVSR for groundwater sampling at the CAMU for 2018. Most of the comments from the NDEP were received and addressed. BRC and NDEP are discussing a couple of remaining comments. A final report for 2018 will be submitted once the remaining comments are resolved. BRC is initiating preparations for the 2019 round of sampling.

BRC completed chloroform sampling in groundwater and soil gas near the existing well POU3. Results showed reductions of chloroform concentrations in groundwater and soil gas compared to 2016. The results will also be incorporated into the CSM/RAS for the Eastside under preparation.

BRC and NDEP held meetings and telephone calls in order to achieve progress on project activities. Telephone meetings were held between the BRC management, the BRC Project Manager and the NDEP Project Manager (occasionally along with representatives from the City of Henderson as well as consultants representing the prospective property buyer) roughly monthly. Minutes of these meetings are maintained separately.

Results of previous confirmation sampling were received and analyzed and appropriate data validation activities also occurred.

3. Sampling Conducted

None.

4. Work Plans and Other Deliverables Submitted Including Modifications

Due to the very few document exchanges occurring between the NDEP and BRC at the present time, BRC is not including the document lists previously provided as Attachments A (documents submitted to the NDEP by BRC) and B (documents received from the NDEP by BRC) in prior versions of this quarterly progress report. Should activity levels change in the future, BRC will reinitiate including Attachments A and B in the future.

5. Actions Scheduled for Next Quarter

Activities planned include:

- (a) finalization of DVSR and data report for the 2018 CAMU groundwater monitoring;
- (b) preparations for 2019 CAMU groundwater monitoring;
- (c) continuing policy and technical discussions with the NDEP regarding various groundwater issues for the Eastside in relation to the ongoing preparation of the CSM/RAS for the Eastside – which BRC hopes to submit in the next quarter;
- (d) continue to obtain data from the implementation of the various NERT work plans; and
- (e) initiate the development of a RAS/CSM for the Hook Open Space area – as a first step, BRC will propose a work plan by mid-November for sampling wells in the area.

Additional documents may also be submitted depending on project needs.

6. Completions, Delays and Mitigations

None.

7. Planned Modifications to Remedial Actions

None planned.

8. Community Relations Plan Actions Taken

None.

9. Community Relations Plan Actions for Next Quarter

The project website is updated periodically, as needed, to include documents submitted to the NDEP.