

Exhibit 3

November 1, 1989 letter from the DNR's Lyman Wible to FMC's Lawrence Mercado



November 1, 1989

File Ref: 2720-2

Mr. Lawrence E. Mercado
Director, Process Development
Kennecott Minerals Company
1515 Minerals Square
Salt Lake City, UT 84112

Dear Mr. Mercado:

This letter is to transmit the Department's proposed compliance boundary and groundwater standards for the proposed Flambeau Mining Company mine near Ladysmith.

Pursuant to s. NR 182.075(1), Wis. Adm. Code, the Department is required to propose the compliance boundary and groundwater standards for facilities regulated under Ch. NR 182 no later than 180 days prior to the hearing conducted under s. 144.236, Stats. Should you or any other party wish to propose alternative groundwater standards or compliance boundaries, you must do so no later than 90 days prior to the master hearing.

Compliance Boundary

For purposes of this project, the backfilled pit and the two stockpiles will be considered as one facility as indicated on the attached figure, and thus subject to one compliance boundary. The compliance boundary is proposed to be 1200 feet from the perimeter of the facility except where this infringes upon property owned by persons other than Kennecott, in which case the compliance boundary shall be the property line. There are two areas, one to the north of the facility and one to the southeast where the property boundary restriction exists. The approximate position of the proposed compliance boundary is also shown on the attached figure.

Section NR 132.17(9) requires that any mine site be designed, maintained, operated and reclaimed in such a manner so as to protect groundwater quality and quantity in accordance with the standards of Ch. NR 182. In addition to the pit and stockpiles, other ancillary facilities, such as the ore storage and loading areas, the parking area, the surge and runoff ponds and the fuel storage area, also present some limited potential for groundwater contamination. Therefore, these facilities will also be subject to groundwater standards and a compliance boundary. Given the proximity of all of the project facilities and the predominant direction of groundwater flow, the compliance boundary described above will also apply to the remainder of the mining site, excluding the railroad corridor.

In summary, the Department is proposing a single compliance boundary located 1200 feet from the outer perimeter of the pit/stockpiles, except for the property boundary restrictions. This boundary will serve as the compliance boundary for the entire mining site, excluding the railroad spur.

Groundwater Standards

The following single list of groundwater quality standards will be applied to the project. With the exception of manganese, the standards are identical to those applied statewide to all facilities regulated under Ch. NR 140.

<u>Inorganic Primary MCLs</u>	<u>Standard (mg/l)</u>
Arsenic	0.05
Barium	1.0
Cadmium	0.01
Chromium	0.05
Fluoride	4.0
Lead	0.05
Mercury	0.002
Nitrate + Nitrite as N	10.0
Selenium	0.01
Silver	
<u>Secondary MCLs</u>	<u>Standard (mg/l unless noted otherwise)</u>
Chloride	250
Color	15 color units
Copper	1.0
Foaming Agents	0.5
Iron	0.30
Manganese	Baseline
	0.09 (overburden)
	0.36 (shallow Precamb.)
	0.23 (deep Pr)
	3 (threshold)
Odor	
Sulfate	250
Total Dissolved Solids (TDS)	500
Zinc	5
<u>Organic Chemical Primary MCLs</u>	<u>Standard (mg/l)</u>
Endrin	0.0002
Lindane	0.004
Methoxychlor	0.1
Propylthio	0.005

2,4-Dichlorophenoxyacetic Acid	0.1
2,4,5-Trichlorophenoxypropionic Acid	0.01
Benzene	0.005
Vinyl Chloride	0.0002
Carbon Tetrachloride	0.005
1,2-Dichloroethane	0.005
Trichloroethylene	0.005
1,1-Dichloroethylene	0.007
1,1,1-Trichloroethane	0.20
para-Dichlorobenzene	0.075
Total trihalomethanes	0.10

Radioactivity MCLs

Standard (pCi/l)

Radium ²²⁶ + Radium ²²⁸	5
Gross Alpha Particle Activity	15
Beta particle and photon radioactivity	4 millirem/year

Turbidity MCL

Standard (NTU)

Monthly average	1
2 Consecutive days	5

Other Health
Related
Substances

Standard (ug/l)

Alachlor	0.5
Aldicarb	10
Atrazine	3.5
Bacteria, Total Coliform	**
Butylate	67
Carbofuran	50
Cyanazine	12.5
Cyanide	200
1,2-Dibromoethane	0.01
1,2-Dibromo-3-chloropropane (DBCP)	0.05
1,2-Dichlorobenzene	1250
1,3-Dichlorobenzene	1250
1,1-Dichloroethane	850
1,2-Dichloroethylene	100
Dinoseb	13
EPTC (Eptam)	250
Ethylbenzene	1360
Fluorotrichloromethane	3490
Methylene Chloride	150
Metolachlor	15
Simazine	2150
Tetrachloroethylene	1.0

Tetrahydrofuran	50
Toluene	343
1,1,2-Trichloroethane	0.6
Xylene	620

** - The standard for bacteria is dependent on the analytical method used. See s. NR 140.10 for additional discussion.

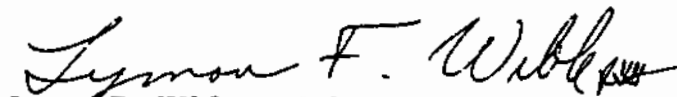
The baseline groundwater monitoring program conducted by Kennecott has revealed that the existing concentration of manganese in the groundwater in the vicinity of the project area exceeds the secondary MCL (0.05 mg/l). Therefore, pursuant to s. NR 182.075(1)(a)2.b. the proposed groundwater standard for manganese is the baseline concentration as specified in Section 3.6.4.2.2 of the Environmental Impact Report submitted by Kennecott.

The remainder of the standards are consistent with the MCLs established under Ch. NR 109 and the requirements of Ch. NR 140 as discussed above. The Department recognizes that some of the abovementioned substances will not likely be of concern for this project but have been included for the sake of completeness and consistency with other regulatory programs. Some of the parameters listed may be of concern as a result of spills of fuel or other materials and practices related to later land uses on the site. Imposition of such standards is not viewed as burdensome since no additional monitoring requirements are being proposed at this time. Any alteration of the monitoring plan would be in accordance with the requirements of s. NR 132.11(4).

In reviewing the baseline groundwater monitoring program completed by Kennecott, we have confirmed that the samples were not analyzed for the primary organic, turbidity or radioactivity MCLs as required under s. NR 182.075(1)(d)5. The Department does not see a need to monitor for these substances but the company must formally request an exemption from this requirement.

If you have any questions concerning this matter please contact either Bob Ramharter, Project Manager, or Larry Lynch of the Office of Mine Reclamation.

Sincerely,



Lyman F. Wible, Administrator
Division of Environmental Quality

LJL:11

cc: Jerry Sevick - Foth & Van Dyke
Hank Handzel - DeWitt, Porter et. al.
Bill Thiel - Jordan, Herrell and Thiel
Tom Evans - WG&NHS
Kathy Falk - DOJ
Dennis Leong - DOD

