

NOTICE

VIA FAX AND USPS CERTIFIED MAIL # 7011 2970 0000 0901 6339

June 26, 2013

NEVADA STATE ENVIRONMENTAL COMMISSION
c/o Mr. John B. Walker, Executive Secretary
901 South Stewart Street, Suite 4001
Carson City Nevada 89701-5249
Fax 775.687.5856
www.ndep.nv.gov
jwalker@ndep.nv.gov

Re: ROCKWOOD CHEMICAL SPILL, APRIL 29, 2013;
FAILURE OF NV-DEP'S Standard Operating Procedures (SOP's)

Ladies and Gentlemen,

First, we want to point out that we are NOT "against mining." Mr. Rupp worked in the mining industry for 15+ years and acquired a supervisory position over the Round Mountain Gold Truck Shop/ALPM department managing more than 6-22 employees until 2005 when he was summarily fired and black-balled on trumped-up charges because he refused to be a party to the senior management of Round Mountain Gold acting out of racism to fire a competent man under Mr. Rupp's supervision because he was a Minority, and Mr. Queen has defined and quantified two inventions for the mining industry that will materially cut production costs.

A NOTICE dated April 29, 2013 was delivered via FAX and USPS Certified Mail 7007 0710 0001 5249 3431 to Nevada Division of Environmental Protection (NV-DEP), which still remains pending and incomplete (see Attached).

NV-DEP continues to assert that addressing subject chemical spill is dependent upon Rockwood Lithium Corp performing soil testing and analysis per NV Bureau of Mining Regulations and Reclamation's Lisa Kreskey's voice mail of June 14, 2013 9:30am.

It is our position that NV-DEP's Bureau of Mining Regulations and Reclamation's (BMRR) practice of allowing Chemetall/Rockwood Lithium operators to provide BMRR with test soil-water-air samples gathered from sites of their own choosing is completely unacceptable and egregious as this methodology appears to be "designed" to lower the true environmental scale, scope and effect of the chemical spill thus intentionally failing to protect the environment, People, birds, workers and others, including Mr. Rupp's home, that are located near where processing errors breached required containment. In

short, the information, data and test results are tainted by employing non-disclosed methodologies and almost certainly precluding "Best Practices" from being implemented to insure that FUTURE spills do NOT occur.

Further, it is our position that Chemetall/Rockwood AND NV-DEP AND BMRR abandoning their respective rules, regulations and LAW effectively subverts their respective purpose regarding their existence as "oversight" bodies regarding their Number One Priority to maintain "HEALTH AND SAFETY" by NOT timely and effectively preventing the poisoning of the land (and air and water) resulting in adverse medical/health conditions being imposed upon plant employees and residents and all living creatures within Silver Peak, NV.

A corporation's number one purpose is, of course, to make money, which is the "American Way," but NOT as a PUBLIC NUISANCE by failing to report chemical spills and provide true and accurate sample data apparently to increase profits and to preclude UPGRADING production methods and equipment costing thousands of dollars.

Considering the size (and budget) of NV-DEP, et al, it can be presumed that the agency(s) have in place competent inspectors, vehicles, tools, equipment, and the professionally competent and certified staff and laboratories, etc., necessary to perform these most basic analysis in a timely fashion such that the scale, scope and findings regarding subject chemical spill would NOT remain un-reported and resolved for more than 60 days as is the current situation at the Silver Peak Lithium Operation.

Thus, is the current situation due to incompetence or intentional?

This question raises another key question: HOW ARE CONCERNED AND IMPACTED PARCEL/HOMEOWNER'S IN NEVADA ABLE TO ACQUIRE TIMELY RESULTS AND A DEFINED SOLUTION TO EFFECTIVELY MITIGATE AND RESOLVE THE ONGOING AND MOST RECENT CHEMICAL SPILL AND THUS BE CONFIDENT AND ABLE TO TRUST THE RESPECTIVE NEVADA GOVERNMENTAL AGENCIES, NOW AND IN THE FUTURE?

It is our position that the respective Nevada Oversight Agencies charged with protecting Nevada's environment SHALL perform ALL on-site collection of soil-water-air samples, the testing and mitigation solution(s), and no longer performed via the corporation's in-house collection and processing of collected samples and specimens.

Over sixty days have lapsed from the time Mr. Rupp called the Nevada Spill Hotline and reported subject incident and sent a written Notice reporting a sizable spill that breached containment and flowed across and down Highway 265 leaving "white stains" on the ground (soil) surfaces, Highway 265. Several other similar spills have

flowed into a CHILDREN'S PLAYGROUND where the chemical spill formed ponds and thereafter drying and leaving chemicals and salts to (AGAIN!) accumulate upon the ground with the chemical spill AGAIN reaching to within a few hundred feet of Mr. Rupp's parcels. Clearly, the chemical spill is NOT "returning to the playa" and is in violation of Water Pollution Control Permit NEV 00700005.

What are the ACCUMULATING EFFECTS of so many ongoing chemical spills leaching into known mercury tainted ground down-grade from where two historic Silver/Gold mines, Vollmar's Mill AND Black Mammoth Mill milling operations were performed for many years?

According to the book, "Silver Peak Never a Ghost Town," by Victoria Ford, page 109 that states, "They would spread mercury all over a plate, about four or five feet wide and maybe ten feet long...the mud would come down from the ball mill over the plates, and the mercury would pick up the free gold..."

These mills operated for many years that were large-scale operations employing 1,000's of pounds of mercury and though re-capture of the mercury was employed, much mercury escaped. And the mill's were located directly above the same area where Chemetall/Rockwood processing spills breach containment and flow, form ponds and dry upon the ground. This area is NOT THE PLAYA!

On October 4, 2012 Chemetall/Rockwood's GM Joe Dunn and Ron Francis admitted and stated to to Mr. Rupp that "Mercury is present where soil sampling has been performed where spills pond near Mr. Rupp's two homes" (see attached)

Furthermore, additional controlled(?) processing water releases REGULARLY make their way to within a few hundred feet of Mr. Rupp's parcels that flow across Esmeralda Road # 196 dumping the released process water where it sits upon the ground and dries wherein the daily winds blow the dried chemicals and salts towards and ON TO Mr. Rupp's parcels, cars, structures, homes, property, animals, plants, gardens, etc., and directly INTO structures through open windows and ONTO the floors, kitchen table, baby crib, etc., and INTO evaporative coolers.

Clearly, the chemical pollution discussed above is NOT "returned to the playa pond system" as stated in WPC Permit NEV 00700005 because said "pond systems" are located more than 2.5 miles East of Mr. Rupp's and his neighbors' homes.

In closing, as NV-DEP / NV-SEC appears to practice rhetorical platitudes rather than regularly acting as competent protectors of Nevadans' health, safety and environment, which is contrary to the agencies' stated Mission Statements. Thus, with the above brief description of the situation the addressees should now understand why Mr. Rupp will continue to report all future chemical spills to the Esmeralda County

Commissioners, the Nevada Department of Transportation, Federal OSHA, and Nevada Health Officials and related entities who may **recognize and timely act upon a public health safety nuisance and act appropriately** upon receipt of what clearly are justified complaints.

For additional information, see **following this notice** a narrative prepared by Mr. Rupp, titled, "**Mr. Rupp's Meeting With Mr. Francis, Rockwood CFO and GM on October 4, 2012** "

And finally, Mr. Queen is reconstructing the "brief" he had ready to deliver to the parties on June 17, 2013 that was lost due to his computer failing, and subject replacement "brief" will be delivered to the parties ASAP.

Sincerely,

Paul Rupp
Parcel Owner, Researcher, Historian

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Founders of the Esmeralda County Ad Hoc Committee

cc: Nevada State Environmental Commission @ jbwalker@ndep.nv.gov
Nevada Div. of Environmental Protection/Bureau of Reg and Relc @ NDEP.nv.gov
Distribution List

Attached: NOTICE - Complaint, dated April 29, 2013 to Nevada Div. Environmental Protection

[See **following narrative**]

Mr. Rupp's Meeting With Mr. Francis, Rockwood CFO and GM
October 4, 2012

I arrived at the Chemetall Administrative Building about 9:40 AM on October 4, 2012 and asked the receptionist to see Candy Jewett regarding my appointment set for this morning and the meeting started at 10:00 AM.

Mr. Francis had reviewed my letter that I had delivered to SEC NV DEP and he remarked that this is pretty steep stuff and if true he does not or will not have a job.

Mr. Francis continued and stated said that no pollution has ever entered the playground and any water there had come from an ice machine leak.

I told Mr. Francis I did not believe that the water in the playground was caused by a leaking ice machine as it would require a lot of water to reach the playground and that the water spill had NOT originated (point of source) at the dry house where the ice machine is located.

I then stated that I had several pictures of different chemical spill events and that the chemical spills were occurring more frequently -- almost every week or every other week, and added that a person can look on Google Earth at street level and see a spill captured and that the chemical spill is most defiantly not coming from an ice machine.

Mr Francis then called in Silver Peak General Manager Joe Dunn to answer questions about the "water leaks." Mr. Dunn stated that he lived here and raised his family here and that he would never allow his kids to be where any danger was.

I believe anyone in his position would say the very same thing.

I restated that the chemical leaks in the park were troubling and we felt terrorized by seeing water from Rockwood inside the kid's playground and so close to our homes and had concerns for our health wellbeing and safety.

I then described a recent rainy day, Sept 11, 2012, where the rain runoff followed the lay of the land path Southward down to Highway 265 near Rockwood's operation, then the water flows East along the berm on the North side of the highway where the flow reaches a low point and crosses South across the highway into the playground forming ponds in and around the children's play areas, then flowing out the back side of the playground Eastwardly and continuing about 100 feet where the water disappears into a crack in the earth that is about 2-3 inches wide and 6 feet long that runs along the Southwest edge of Cinnabar Way.

The water flow path above is exactly the same path Chemical Spills follow.

Mr. Francis then commented, it does not get to your house?

I responded that I did not know where the spill water went after it went into the crack and could not say whether it goes under my home and property or return to the playa or make its way into the Silver Peak municipal water supply.

General Manager Dunn stated that the spill water from Rockwood's operation could not reach silver Peaks municipal water system because of a fault barrier that was between Rockwood processing operations and Silver Peak's municipal water supply and General Manager Joe Dunn drew a line on paper showing a line representing a fault barrier (on the West) between Rockwood processing operations and Silver Peaks Water Municipal water supply.

I commented that the "fault line" referred to has not been supported by satellite imagery in studies such as the Department of Energy's (DOE's) recent "EA-1715" or on Esmeralda County's "Back-up Well replacement Project EA, circa 2008, authored by Esmeralda County Commissioner Nancy Boland that includes several pages from Chemetall's Hydrologist Melisa Jennings' study regarding fresh water that also refers to a "fault barrier," but again, satellite imagery has ever been published. Indeed, Ms. Jennings study provided only a "blank" plate in the document where a satellite image is referenced.

General Manager Dunn then stated that soil samples in the playground were taken and show no chemical's from Rockwood processing of lithium, and added that the samples contain other things from previous mining operations and Rockwood is not responsible for any activities before Rockwood undertook lithium extraction activities in Silver Peak.

I responded that if Rockwood's chemical spills are mixing with these other elements (mercury), that I was not as confident as they were that Rockwood has no responsibility for their actions and consequences.

I then added that I have never seen or heard of this "fault barrier" before as all other water studies indicate a fault barrier northeast of Rockwood's processing operations or state fresh water floats on top of the saline brine water (as shown on the Welldriller's Reports to the State).

I then asked where the swimming pool water in the kids' Park drains too.

General Manager Dunn said Rockwood drains the pool inside Rockwood's Park/Playground and explained that there are other problems contained within the soils from previous mining operations nearby that I found was not exactly reassuring.

I responded that I had concerns about any increased usage of fresh water by Rockwood in their operations as Silver Peak has a very limited fresh water supply.

I was told by both General Manager Joe Dunn and CFO Mr. Frances that there is NO INCREASE of the fresh water usage by Rockwood in their operations.

I stated that there exists a contrary position within the DOE/ EA 1715 study, where a noticeable increase of 300 to 600 acre feet of fresh water is on record for Lithium operations expansion for the Silver Peak Lithium Operations.

After a brief discussion on this issue, the meeting concluded and I returned to my home.

This brief narrative was written upon my arriving home.

Paul Rupp