



KERR-McGEE CHEMICAL LLC

Susan Crowley
Staff Environmental Specialist

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August 1, 2005

Mr. Todd Croft
Supervisor
Nevada Division of Environmental Protection
1771 East Flamingo – Suite 121A
Las Vegas, NV 89119

Subject: 2005 AOC Monthly Progress Report for July 2005

Dear Mr. Croft,

This monthly progress report fulfills requirements laid out in the April 12, 2005 Administrative Order On Consent (2005 AOC) between the State of Nevada, Department of Conservation and Natural Resources, Division of Environmental Protection (NDEP) and Kerr-McGee Chemical LLC (Kerr-McGee).

Activities this month:

1. Preliminary engineering and bid package development continued for perchlorate removal from AP-5 pond. We expect to receive construction bids back from contractors by the end of August 2005. The bids will cover installing the new primary Fluidized Bed Reactor (FBR), supporting equipment for removing materials from the AP-5 pond, and the new effluent sand filter. A preliminary construction schedule will be available shortly.
2. Options for washing perchlorate from insoluble materials in the AP-5 pond are being evaluated.
3. Optimization options to improve bio-solid sludge dewatering are being pilot tested. A Prime Solutions rotary press yielded marginal results. A second pilot test using a Fournier rotary press is scheduled for late August.
4. Plans are underway for removal of the ion exchange equipment used early on in the perchlorate removal efforts. Remaining resin will be removed with equipment decommissioning / removal to follow. As a decommissioning schedule is developed, this will be transmitted to your office.

If you have questions or comments on this report, please call me at (702) 651-2234 or call Keith Bailey at (405) 270-3651. Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Susan M. Crowley".

Susan M. Crowley
Staff Environmental Specialist

Todd Croft

Re: 2005 AOC Monthly Progress Report for July 2005

August 1, 2005

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cc: Keith Bailey, Kerr-McGee
Sally Bilodeau, ENSR
Larry Bowerman, EPA Region IX
Jennifer Carr, NDEP
Pat Corbett, Kerr-McGee
Dave Gerry, ENSR
Mitch Kaplan, EPA Region IX
Ed Krish, ENSR
Pat Mulroy, SNWA
Jim Najima, NDEP
Leslie Palencia, MWD
Brenda Pohlmann, COH
Brian Rakvica, NDEP
Tom Reed, Kerr-McGee
Ron Sahu, BMI
Don Shandy, Kerr-McGee
Rick Stater, Kerr-McGee
Paul Sundberg, Montrose
Al Tinney, NDEP
Craig Wilkinson, TIMET