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June 1, 2006

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

Re: 2005 AOC Monthly Progress Report for May 2006

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 Tronox LLC (formerly Kerr-McGee Chemical LLC)..

Activities this month:

- 1. Engineering for the AP-5/Effluent Clarity project is over 99 percent complete.
- 2. Nearly all major equipment has arrived at the construction site.
- 3. With NDEP help, difficulties obtaining the necessary building permit for the project from Clark County were resolved. The permit was issued on May 2nd.
- 4. Construction is proceeding at a rapid pace. Concrete slabs for the new fluidized bed reactor and sand filter have been poured. Forms are being erected for the sand filter walls. Work in the AP-5 pond area and the D-1 building is under way. A project schedule update is being developed, but it appears that we will meet the revised AOC requirement of having the system operational by September 1st.

Lastly, Susan Crowley has recovered from back surgery and has returned to work on a part-time basis. If you have questions or comments on this report, please call me at (405) 775-6526 or Susan at (702) 651-2234.

Sincerely

cc: Mary Cheung (Veolia) Pat Corbett (Tronox) Susan Crowley (Tronox) Mike Del Vecchio (Shaw) Barry Giroux (GEI) Joseph Guerriero (AIGC-EM) Brian Rakvica (NDEP) Rick Stater (Tronox)