



environmental management, inc.

September 1, 2010

Shannon Harbour, P.E.
Nevada Division of Environmental Protection
901 South Stewart Street
Carson City, Nevada 89701

**Subject: Status Update Regarding the Identification of Proposed Environmental
Covenant Areas, Tronox Facility, Henderson, Nevada**

Dear Ms. Harbour:

On August 4, 2010, the Nevada Division of Environmental Protection (NDEP) provided comments to Tronox on the Phase B Remediation Program Schedule. Northgate Environmental Management, Inc. (Northgate) responded to these comments by letter to NDEP, dated August 13, 2010. We are sending you this letter to provide an update on the identification of areas of the Tronox Facility (the Site) where environmental covenants are anticipated to be necessary (Comment No. 7 of NDEP's August 4th letter). Additionally, this letter provides a status update on the submittal of the "Revised Environmental Covenants, Institutional and Engineering Control Plan" (EC Plan) as requested in your letter to Tronox dated August 31, 2010.

Based on input from Tronox and our review of Site conditions, we have identified the following areas where engineering and/or institutional controls are necessary in lieu of soil excavation:

- GW-11 and WC Pond berms, including buffer strips adjacent to berms, PRP pipeline in buffer strip and WC Ponds;
- Veolia facilities (two locations);
- BT Equalization Tanks;
- Area between Unit Buildings 4 and 5;
- Electrical Substations;
- Steam Plant and associated buildings and facilities;
- Historic hazardous waste storage pad (two tanks in lined basin overlie this area);

- Aboveground diesel storage tanks;
- Active Railroad Track Area parallel to and north of Avenue G; and
- Power Transmission Tower foundations.

Tronox Facility personnel are currently reviewing the proposed excavation plan and may identify other locations where institutional and/or engineering controls are necessary. We anticipate updating Site excavation plans to identify the proposed environmental covenant areas and providing this information to NDEP by September 17, 2010. Tronox plans to submit the revised EC Plan to NDEP by this date.

Please let us know if you have any questions on this matter.

Sincerely,
Northgate Environmental Management, Inc.



Deni Chambers, C.E.M., C.E.G., C.Hg.
Principal-in-Charge



Alan Leavitt
Principal Engineer

