



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105**

Certified Mail: 70140510000054824755
Return Receipt Requested

July 24, 2014

William Cordasco, President
Babbitt Ranches, LLC/C.O. Bar, Inc.
P. O. Box 520
Flagstaff, AZ 86002

Re: General Notice Letter
Section 9 Mine, Little Colorado Mining District, Coconino County, Arizona

Dear Mr. Cordasco:

The United States Environmental Protection Agency ("EPA") appreciates the interest shown by Babbitt Ranches, LLC and C.O. Bar, Inc. in addressing contamination from historic uranium mining on their property southeast of Cameron, Arizona. As you are aware, EPA is spending public funds to investigate and control releases or potential releases of hazardous substances, pollutants or contaminants in the Cameron area, Coconino County, Navajo Nation. Under Sections 106(a) and 107(a) of the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), commonly known as Superfund, Potentially Responsible Parties ("PRJs") may be required to perform cleanup actions to protect the public health, welfare, or the environment. PRJs may also be responsible for all costs incurred by EPA in responding to any release or threatened release. PRJs include current and former owners and operators of facilities at which hazardous substances were disposed of, persons who arranged for the disposal of hazardous substances at a facility ("generators"), and persons who accepted hazardous substances for transport to a facility ("transporters").

EPA has evaluated information obtained through its investigation of the Site, and has determined that C.O. Bar, Inc. and Babbitt Ranches, LLC are PRJs as current property owners and/or operators, and as successors to former owners and/or operators at the Section 9 Lease Abandoned Uranium Mine Site ("Site"), as described below.

Site Background

The uranium mining in the area the southeast of Cameron, Arizona was concentrated in a district five miles wide and eighteen miles in length along the Little Colorado River. Historically the United States Atomic Energy Commission referred to this area as the Little Colorado Mining District. The Site is located within this District, and includes three distinct geographic locations within Section 9 and the neighboring Section 16 of Township 27 North, Range 10 East. These three areas were identified and formally referred to as Abandoned Uranium Mines ("AUMs") 457, 458 and 459, running north to south. AUM's 457 and 458 are located entirely within the Section 9 boundary. The northern tip of AUM 459 is also located within the Section 9 boundary. Mining occurred in these areas between at least 1957 and 1962.

AUM 457 is also the location of the remnants of the "Benson Upgrader," a uranium ore processing plant. Ore from AUMs 458 and 459, and possibly other areas, was processed at this plant.

C.O. Bar, Inc. and Babbitt Ranches, LLC are current owners and/or operators of Section 9. The companies also may be successors to former owners and operators of the Site, including C.O. Bar Livestock, Inc., which leased land and received royalties from various mine operators.

General Notice

EPA believes C.O. Bar, Inc. and Babbitt Ranches, LLC are potentially liable as former and current property owners and/or operators of the Site.

Administrative Record

Pursuant to Section 113(k) of CERCLA, EPA must establish an administrative record file that contains documents that form the basis of EPA's decisions on the selection of response actions for the Site. The administrative record file, which contains the documents related to the response actions that are ultimately selected for the Site, will be created and made available to the public for inspection and comment once the Agency has completed sampling and characterization of the Site, completed a study of various cleanup options, and has drafted a document selecting proposed response actions.

At the time of its creation, the administrative record file(s) for the Site will be made available for inspection at EPA's Regional Office in San Francisco, located at 75 Hawthorne Street, 9th floor.

Change in Financial Status:

On a related subject, now that C.O. Bar, Inc. and Babbitt Ranches, LLC have been provided with this General Notice Letter, please note that EPA has potential claims against C.O. Bar, Inc. and Babbitt Ranches, LLC. If the financial status of either entity changes in any significant way, you must notify EPA, and if either entity files for bankruptcy, you must include EPA as a creditor.

Requested Action:

Please provide EPA with the name, address, and telephone number of the person to whom EPA should direct future correspondence on behalf of C.O. Bar, Inc. and Babbitt Ranches, LLC. Also, we have received communications from two attorneys who have said they represent these companies, Mr. Michael Mongini and Mr. Carlos Ronstadt, at the addresses provided below. Please confirm whether they are authorized to represent C.O. Bar, Inc. and Babbitt Ranches, LLC with regard to this matter. If you are already involved in discussions with State or local authorities, are engaged in planning voluntary clean-up action, or are involved in a lawsuit regarding the Site, you should continue such activities as appropriate. This letter is not intended to advise you or to direct you to restrict or to discontinue any such activities; however, you are advised to report the status of those discussions or actions in your response to this letter, and to provide a copy of your response to any other parties involved in those discussions or actions.

Your response should be made in writing and submitted to EPA within thirty (30) days of receipt of this letter. Your response should be directed to:

Wilson Yee (SFD-6-2)
U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street
San Francisco, CA 94105

Again we appreciate the interest you have shown in addressing contamination at the Site. We are currently preparing a draft scope of work for interim removal actions at the Site, and we will share that with you as soon as possible. Soon thereafter, we hope to schedule a meeting to discuss a path forward. We also intend to provide a draft administrative order on consent to you in advance of that meeting.

Please direct any technical questions with respect to the Sites to the Remedial Project Manager ("RPM") Wilson Yee at (415) 972-3484, or you may email him at yee.wilson@epa.gov. Please direct any legal questions to EPA attorney Joshua Wirtschafter at (415) 972-3912 or you may email him at wirtschafter.joshua@epa.gov.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Alan Tenby". The signature is written in a cursive, flowing style.

Partnerships, Land Revitalization & Cleanup Branch
Superfund Division

cc: Michael E.J. Mangini, Attorney
Hufford, Horstman, et al.
120 N. Beaver Street
Flagstaff, AZ 86001

Carlos D. Ronstadt
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Phoenix, Arizona 85020-5547

Harrison Karr, Navajo Nation Department of Justice