J.R. SIMPLOT COMPANY 1130 W. HIGHWAY 30 POCATELLO, IDAHO 83204
P.O. BOX 912 POCATELLO, IDAHO 83204
(208) 235-5602 FAX (208) 235-5699

CORPORATE – POCATELLO OFFICE

June 12, 2015

Mary Kauffman
Caribou-Targhee National Forest
1405 Hollipark Dr.
Idaho Falls, Idaho 83401

Subject: Biological Selenium Removal Treatment Technology Fluidized Bed Bioreactor Pilot Study May 2015 Progress Report

Dear Mary,

This progress report summarizes key activities in May 2015 associated with the fluidized bed bioreactor pilot study located near Hoopes Spring. This pilot study is being conducted as part of the Smoky Canyon Mine Remedial Investigation/Feasibility Study (RI/FS) to provide information on the effectiveness of the active biological treatment system in removing selenium and other COPCs from South Fork Sage Creek Springs and Hoopes Spring. Operation and monitoring of the pilot study follows the *Pilot Study Work Plan and Sampling and Analysis Plan (Work Plan/SAP), Biological Selenium Removal Treatment Technology Fluidized Bed Bioreactor* (prepared by Formation Environmental, dated September 2014, with revised text and tables dated March 5, 2015).

Activities at the treatability study pilot plant during May were primarily a continuation of troubleshooting the hydraulic deficiency from the aeration tank to the sand filter encountered in April. The plant was offline during the entire month of May while the sand in the sand filter was replaced, and a booster pump was installed between the aeration tank and the sand filter.

Identification of Deliverables and Data Transmittals

No analytical or field data were collected in May, and as of this report all outstanding laboratory data were received (the most recent results were submitted with the April monthly report).

Work Plan/SAP Addendum 01, which provides revisions to the monitoring frequency and analytical suites, was submitted electronically to the Forest Service for review on May 29, 2014.

Upcoming Activities

The following activities associated with the fluidized bed bioreactor pilot study are scheduled through July 2015:

- Restart of the pilot system is expected to occur during the week of June 15. The system will require a two-week startup phase to optimize the biological activity in the reactor.
- Monitoring according to the Work Plan/SAP is planned to start again in late June, pending approval of Work Plan/SAP Addendum 01.
- The small ultra-filtration/reverse osmosis (UF/RO) units are expected to be delivered to the mine in early July.
- A work plan will be prepared for the UF/RO "pilot-in-a-pilot", to test the functionality of ultra-filtration and reverse osmosis as a concentration step for future.

Please contact me if there are questions regarding this monthly progress report.

Sincerely,

Monty Johnson
Environmental Engineering Manager

cc: Mary Kauffman – USDA Forest Service, 410 East Hooper, Soda Springs, ID 83276 (2 copies)
Rick McCormick - CH2M, 322 East Front St., Suite 200, Boise, ID 83702 (2 copies)
Wayne Crowther – IDEQ, 444 Hospital Way, Suite 300, Pocatello, ID 83201
Colleen O'Hara-Epperly – BLM, 4350 South Cliffs Dr., Pocatello, ID 83204
Matt Wilkening – USEPA, 950 W. Bannock St., Suite 900, Boise, ID 83702
Sandi Fisher – FWS, 4425 Burley Dr., Suite A, Chubbuck, ID 83202
Kelly Wright –Shoshone-Bannock Tribes, P.O. Box 306, Fort Hall, ID 83203
Susan Hanson - (b) (6) Pocatello, ID 83202
Gary Billman – IDL, 3563 East Ririe Highway, Idaho Falls, ID 83401
Doug Scott – CH2M, 59 Lilac Court, Pagosa Springs, CO 81147
Alan Prouty – J.R. Simplot Company, P.O. Box 27, 999 Main St., Suite 1300, Boise, ID 83707
Burl Ackerman – J.R. Simplot Company, P.O. Box 27, 999 Main St., Suite 1300, Boise, ID 83707
Chad Gentry – J.R. Simplot Company, P.O. Box 1270, Afton, WY 83110
Dennis Facer – J.R. Simplot Company, 1130 W. Highway 30, P.O. Box 912, Pocatello, ID 83204
Fred Charles – Formation Environmental, 2500 55th St., Boulder, CO 80301