UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION IX

IN THE MATTER OF: Anaconda Copper Mine Yerington, Nevada	ADMINISTRATIVE SETTLEMENT AGREEMENT FOR RESPONSE COSTS
Atlantic Richfield Company	U.S. EPA Region IX CERCLA Docket No. 09-2013-0005
Respondent	Proceeding Under Section 122(a) and (h)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, 42 U.S.C. § 9622(a) and (h)(1).

ADMINISTRATIVE SETTLMENT AGREEMENT FOR RESPONSE COSTS

I. JURISDICTION AND GENERAL PROVISIONS

1. This Administrative Settlement Agreement for Response Costs ("Settlement Agreement") is entered into voluntarily by the United States Environmental Protection Agency ("EPA") and Atlantic Richfield Company ("ARC" or "Respondent"). This Settlement Agreement provides for the reimbursement of response costs EPA incurred in response actions at the Anaconda Copper Mine Site in Yerington, Nevada ("Site").

2. This Settlement Agreement is entered into under the authority vested in the President of the United States by Section 122(a) and (h)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended ("CERCLA"), 42 U.S.C. § 9622 (a) and (h)(1), which authority has been delegated to the Regional Administrators of the EPA by EPA Delegation Nos. 14-14-C and 14-14-D, and redelegated to the Superfund Branch Chiefs pursuant to Regional Delegations 1290.15 (September 29, 1997) and 1290.20 (September 29, 1997).

3. EPA has notified the state of Nevada of this settlement.

4. EPA and Respondent recognize that this Settlement Agreement has been negotiated in good faith and that the actions undertaken by Respondent in accordance with this Settlement Agreement do not constitute an admission of any liability. Respondent does not admit, and retains the right to controvert in any subsequent proceedings other than proceedings to implement or enforce this Settlement Agreement, the validity of any factual or legal statement or determination contained in this Settlement Agreement. Respondent otherwise agrees to comply with and be bound by the terms of this Settlement Agreement and further agrees that it will not contest the basis or validity of this Settlement Agreement or its terms. EPA and Respondent recognize that the payments to be made by Respondent pursuant to this Settlement Agreement are not the payment of any fine or penalty.

5. EPA incurred response costs at or in connection with the Site.

6. EPA believes that, pursuant to Section 107(a) of CERCLA, ARC is a liable party for response costs at the Site, and is jointly and severally liable for response costs incurred or to be incurred at or in connection with the Site. There are other entities that are not Parties to this Settlement Agreement that also may be liable for response costs at the Site pursuant to Section 107(a) of CERCLA.

7. EPA and Respondent recognize that this Settlement Agreement has been negotiated in good faith and that this Settlement Agreement is entered into without the admission or adjudication of any fact or law.

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II. PARTIES BOUND

8. This Settlement Agreement applies to and is binding on EPA and on Respondent and its successors and assigns. Any change in ownership or corporate status of Respondent including, but not limited to, any transfer of assets or real or personal property shall not alter Respondent's responsibilities under this Settlement Agreement.

9. Each signatory to this Settlement Agreement certifies that he or she is fully authorized to enter into the terms and conditions of this Settlement Agreement and to execute and legally bind the party represented by him or her to this Settlement Agreement.

III. DEFINITIONS

10. Unless otherwise expressly provided herein, terms used in this Settlement Agreement that are defined in CERCLA or in regulations promulgated under CERCLA shall have the meaning assigned to them in CERCLA or in such regulations. Whenever terms listed below are used in this Settlement Agreement or any document incorporated hereunder, the following definitions shall apply:

a. "CERCLA" shall mean the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. §§ 9601, *et seq.*

b. "Day" shall mean a calendar day. In computing any period of time under this Settlement Agreement, where the last day would fall on a Saturday, Sunday, or federal holiday, the period shall run until the close of business of the next working day.

c. "Effective Date" shall be the Effective Date of this Settlement Agreement as provided in Section XIV.

d. "EPA" shall mean the United States Environmental Protection Agency and any successor departments or agencies of the United States.

e. "Interest" shall mean interest at the rate specified for interest on investments of the EPA Hazardous Substance Superfund established by 26 U.S.C. § 9507, compounded annually, in accordance with 42 U.S.C. § 9607(a). The applicable rate of interest shall be the rate in effect at the time the interest accrues. The rate of interest is subject to change on October 1 of each year.

f. "Paragraph" shall mean a portion of this Settlement Agreement identified by an Arabic numeral.

g. "Parties" shall mean EPA and Respondent.

h. "Past Response Costs" shall mean costs, including, but not limited to, direct and indirect costs, that the EPA paid at or in connection with the Site from January 1, 2010,

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through December 31, 2011, that are set forth in the attached Appendix A.

i. "RCRA" shall mean the Resource Conservation and Recovery Act, also known as the Solid Waste Disposal Act, as amended, 42 U.S.C. §§ 6901, *et seq.*

j. "Respondent" or "ARC" shall mean Atlantic Richfield Company.

k. "Settlement Agreement" shall mean this Administrative Settlement Agreement for Response Costs, and any documents incorporated by reference into it. In the event of conflict between this Settlement Agreement and any incorporated documents, this Settlement Agreement shall control.

l. "Section" shall mean a portion of this Settlement Agreement identified by a Roman numeral, unless otherwise referenced.

m. "Site" shall mean the Anaconda Copper Mine Site, encompassing approximately 3,468 acres, located at 103 Birch Drive, near Yerington, Nevada, in Lyon County. The Site includes portions of Township 13N, Range 25E, Sections 4, 5, 8, 9, 16, 17, 20, and 21 (Mount Diablo Baseline and Meridian) on the Mason Valley and Yerington USGS 7.5 minute quadrangles. The geographic coordinates are 38° 59' 53.06" North latitude and 119° 11' 57.46" West longitude.

n. "State" shall mean the State of Nevada.

p. "Waste Material" shall mean (1) any "hazardous substance" under Section 101(14) of CERCLA, 42 U.S.C. § 9601(14); (2) any pollutant or contaminant under Section 101(33) of CERCLA, 42 U.S.C. § 9601(33); and (3) any "solid waste" under Section 1004(27) of RCRA, 42 U.S.C. § 6903(27).

q. "BLM" shall mean the United States Department of Interior Bureau of Land Management.

IV. PAYMENT OF RESPONSE COSTS

11. a. Within thirty days of the Effective Date, Respondent shall pay to EPA $2,099,004.52 for Past Response Costs. Payment shall be made to EPA by Electronics Funds Transfer ("EFT") in accordance with current EFT procedures to be provided to Respondent by EPA Region IX, and shall be accompanied by a statement identifying the name and address of the party(ies) making payment, the Site name, the EPA Region and Site ID Number(#09GU), and the EPA docket number for this action.

b. At the time of payment, Respondent shall send notice that payment has been made pursuant to the requirements of Paragraph 12.

c. The total amount to be paid by Respondent pursuant to sub-Paragraph 11.a

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shall be deposited in the Anaconda Copper Mine Special Account within the EPA Hazardous Substance Superfund to be retained and used to conduct or finance response actions at or in connection with the Site, or to be transferred by EPA to the EPA Hazardous Substance Superfund.

12. At the time of payment, Respondent shall send notice that payment has been made to:

David Wood
Superfund Accounting (PMD 6)
U.S. Environmental Protection Agency
75 Hawthorne Street
San Francisco, CA 94105

And to:

Jere Johnson
Superfund Division (SFD 8-2)
U.S. Environmental Protection Agency
75 Hawthorne Street
San Francisco, CA 94105

Such notices shall reference the EPA Site ID #09GU and the EPA docket number for this action.

V. FAILURE TO COMPLY WITH SETTLEMENT AGREEMENT

13. Interest on Late Payments. If Respondent fails to make any payment required by this Settlement Agreement on or before the required due date, Interest shall accrue on the unpaid balance from the due date through the date of payment.

14. Stipulated Penalty.

a. If any amounts due to EPA under Paragraph 11 are not paid by the required date, Respondent shall be in violation of this Settlement Agreement and shall pay to EPA, as a stipulated penalty, in addition to the Interest required by Paragraph 13, $500.00 per violation per day that such payment is late.

b. Stipulated penalties are due and payable within 30 days of the date of demand for payment of the penalties by EPA. All payments to EPA under this Paragraph shall be identified as "stipulated penalties" and shall be made payable to "Treasurer, United States of America." The check, or a letter accompanying the check, shall reference the name and address of the party(ies) making payment, the Site name, the Site ID #09GU, and the EPA Docket Number for this action. Respondent shall send the check (and any accompanying letter) to:

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EPA - Cincinnati Finance Center
Fines and Penalties
Attention: Region 9 Receivables
P.O. Box 379077
St. Louis, Missouri 63197-9000

c. At the time of each payment, Respondent also shall send notice that payment has been made to EPA in accordance with Paragraph 12. Such notice shall identify the EPA Site ID #09GU and the EPA Docket Number for this action.

d. Penalties shall accrue as provided in this Paragraph regardless of whether EPA has notified Respondent of the violation or made a demand for payment, but need only be paid upon demand. All penalties shall begin to accrue on the day after payment is due and shall continue to accrue through the date of payment. Nothing herein shall prevent the simultaneous accrual of separate penalties for separate violations of this Settlement Agreement.

15. In addition to the Interest and stipulated penalty payments required by this Section and any other remedies or sanctions available to EPA by virtue of Respondent's failure to comply with the requirements of this Settlement Agreement, if Respondent fails or refuses to comply with the requirements of this Settlement Agreement it shall be subject to enforcement action pursuant to Section 122(h)(3) of CERCLA, 42 U.S.C. § 9622(h)(3). If the United States, on behalf of EPA, prevails in an action to enforce this Settlement Agreement, Respondent shall reimburse the United States for all costs of such action, including but not limited to costs of attorney time. Provided, however, that EPA shall not seek civil penalties pursuant to CERCLA for any violation for which a stipulated penalty is provided herein, except in the case of a willful violation of this Order.

16. Notwithstanding any other provision of this Section, EPA may, in its unreviewable discretion, waive payment of any portion of the stipulated penalties that have accrued pursuant to this Settlement Agreement. Payment of stipulated penalties shall not excuse Respondent from any other obligation required by this Settlement Agreement.

VI. COVENANT NOT TO SUE BY EPA

17. Except as specifically provided in Section VII (Reservations of Rights by EPA), EPA covenants not to sue or take administrative action against Respondent pursuant to Sections 106 or 107(a) of CERCLA, 42 U.S.C. §§ 9606 or 9607(a), to recover Past Response Costs required to be paid under Section IV of this Settlement Agreement. This covenant shall take effect on receipt by EPA of all amounts required by Section IV (Payment of Response Costs) and any amounts due under Section V (Failure to Comply with Settlement Agreement). This covenant not to sue is conditioned on the satisfactory performance by Respondent of its obligations under this Settlement Agreement. This covenant not to sue extends only to Respondent and does not extend to any other person.

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VII. RESERVATIONS OF RIGHTS BY EPA

18. EPA reserves, and this Settlement Agreement is without prejudice to, all rights against Respondent with respect to all matters not expressly included within the Covenant Not to Sue by EPA in Section VI. Notwithstanding any other provision of this Settlement Agreement, EPA reserves all rights against Respondent with respect to:

a. liability for failure of Respondent to meet a requirement of this Settlement Agreement;

b. liability for costs incurred or to be incurred by the United States that are not within the definition of Past Response Costs;

c. liability for injunctive relief or administrative order enforcement under Section 106 of CERCLA, 42 U.S.C. § 9606;

d. criminal liability;

e. liability for damages for injury to, destruction of, or loss of natural resources, and for the costs of any natural resource damage assessments; and

f. liability for response costs incurred at the Site by the United States Department of the Interior, including any of its agencies or bureaus, including without limitation BLM, pursuant to Sections 107 and 113 of CERCLA, §§ 9607 and 9613.

19. Nothing in this Settlement Agreement is intended to be nor shall it be construed as a release, covenant not to sue, or compromise of any claim or cause of action, administrative or judicial, civil or criminal, past or future, in law or in equity, which the United States may have against any person, firm, corporation or other entity not a signatory to this Settlement Agreement.

VIII. COVENANT NOT TO SUE AND RESERVATION OF RIGHTS BY RESPONDENT

20. Respondent covenants not to sue and agrees not to assert any claims or causes of action against the EPA or its contractors or employees, with respect to the Past Response Costs addressed in this Settlement Agreement, including, but not limited to:

a. any direct or indirect claim for reimbursement of the Past Response Costs from the Hazardous Substance Superfund established by 26 U.S.C. § 9507, based on Sections 106(b)(2), 107, 111, 112, or 113 of CERCLA, 42 U.S.C. §§ 9606(b)(2), 9607, 9611, 9612, or 9613, or any other provision of law;

b. any claim arising out of the response actions for which the Past Response Costs were incurred, including any claim under the United States Constitution, any state constitution, the Tucker Act, 28 U.S.C. § 1491, the Equal Access to Justice Act, 28 U.S.C.

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§ 2412, as amended, or at common law; or

c. any claim against the EPA pursuant to Sections 107 and 113 of CERCLA, 42 U.S.C. §§ 9607 and 9613, relating to the response actions at the Site for which Past Response Costs were incurred or payment of Past Response Costs.

21. Except as expressly provided in Paragraph 23, these covenants not to sue shall not apply in the event the EPA brings a cause of action or issues an order pursuant to the reservations set forth in Paragraph 18 (b) (c), and (e), but only to the extent that Respondent's claims relate to the same response action, response costs, or damages that the EPA is seeking pursuant to the applicable reservation.

22. Nothing in this Settlement Agreement shall be deemed to constitute approval or preauthorization of a claim within the meaning of Section 111 of CERCLA, 42 U.S.C. § 9611, or 40 C.F.R. § 300.700(d).

23. Respondent agrees not to assert any claims and to waive all claims or causes of action that it may have for all matters relating to the Site, including for contribution, against any person where the person's liability to Respondent with respect to the Site is based solely on having arranged for disposal or treatment, or for transport for disposal or treatment, of hazardous substances at the Site, or having accepted for transport for disposal or treatment of hazardous substances at the Site, if all or part of the disposal, treatment, or transport occurred before April 1, 2001, and the total amount of material containing hazardous substances contributed by such person to the Site was less than 110 gallons of liquid materials or 200 pounds of solid materials.

24. The waiver in Paragraph 23 shall not apply with respect to any defense, claim, or cause of action that a Respondent may have against any person meeting the criteria in Paragraph 23 if such person asserts a claim or cause of action relating to the Site against such Respondent. This waiver also shall not apply to any claim or cause of action against any person meeting such criteria if EPA determines:

a. that such person has failed to comply with any EPA requests for information or administrative subpoenas issued pursuant to Section 104(e) or 122(e) of CERCLA, 42 U.S.C. §§ 9604(e) or 9622(e), or Section 3007 of RCRA, 42 U.S.C. § 6972, or has impeded or is impeding, through action or inaction, the performance of a response action or natural resource restoration with respect to the Site, or has been convicted of a criminal violation for the conduct to which this waiver would apply and that conviction has not been vitiated on appeal or otherwise; or

b. that the materials containing hazardous substances contributed to the Site by such person have contributed significantly, or could contribute significantly, either individually or in the aggregate, to the cost of response action or natural resource restoration at the Site.

25. Respondent's Reservation of Rights. Respondent reserves and this Settlement Agreement is without prejudice to, all rights, claims and defenses against the United States

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Department of the Interior, including any of its agencies or bureaus, including without limitation BLM or any other department or agency of the United States other than EPA, pursuant to Sections 107 and 113 of CERCLA, 42 U.S.C. §§ 9607 and 9613 relating to the Past Response Costs or any other liability relating to the Site or releases of Waste Material from the Site.

IX. EFFECT OF SETTLEMENT/CONTRIBUTION PROTECTION

26. Except as provided in Paragraph 23, nothing in this Settlement Agreement shall be construed to create any rights in, or grant any cause of action to, any person not a party to this Settlement Agreement. Except as otherwise provided by this Settlement Agreement, the Parties expressly reserve any and all rights (including, but not limited to, any right to contribution), defenses, claims, demands, and causes of action that they may have with respect to any matter, transaction, or occurrence relating in any way to the Site against any person not a party hereto.

27. EPA and Respondent agree that compliance with this Settlement Agreement does not constitute an admission of any liability by Respondent. Respondent does not admit and retains the right to controvert in any subsequent proceedings other than proceedings to implement or enforce this Settlement Agreement, the validity of the facts or allegations contained in this Settlement Agreement.

28. a. The Parties agree that this Settlement Agreement constitutes an administrative settlement for purposes of Section 113(f)(2), and that Respondent is entitled, as of the Effective Date, to protection from contribution actions or claims as provided by Sections 113(f)(2) and 122(h)(4) of CERCLA, 42 U.S.C. §§ 9613(f)(2) and 9622(h)(4), for "matters addressed" in this Settlement Agreement. The "matters addressed" in this Settlement Agreement are the Past Response Costs addressed in Section IV. Except as provided in Paragraph 23 of this Settlement Agreement, nothing in this Settlement Agreement precludes the United States or Respondent from asserting any claims, causes of action, or demands against any person not Parties to this Settlement Agreement for indemnification, contribution, or cost recovery.

b. The Parties agree that this Settlement Agreement constitutes an administrative settlement for purposes of Section 113(f)(3)(B) of CERCLA, 42 U.S.C. § 9613(f)(3)(B), pursuant to which Respondent has, as of the Effective Date, resolved its liability to the United States for the Past Response Costs.

29. Respondent agrees that with respect to any suit or claim for contribution brought by it for matters related to this Settlement Agreement, it will notify EPA in writing no later than sixty (60) days prior to the initiation of such suit or claim. Respondent also agrees that, with respect to any suit or claim for contribution brought against it for matters related to this Settlement Agreement, it will notify EPA in writing within ten (10) days of service of the complaint or claim. In addition, Respondent shall notify EPA within ten (10) days of service or receipt of any Motion for Summary Judgment and within 10 days of receipt of any order from a court setting a case for trial related to this Settlement Agreement.

30. In any subsequent administrative or judicial proceeding initiated by EPA, or by the United States on behalf of EPA, for injunctive relief, recovery of response costs, or other relief

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relating to the Site, Respondent shall not assert, and may not maintain, any defense or claim based on the principles of waiver, *res judicata*, collateral estoppel, issue preclusion, claim-splitting, or other defenses based on any contention that the claims raised in the subsequent proceeding were or should have been resolved through this Settlement Agreement; provided, however, that nothing in this Paragraph affects the enforceability of the covenant not to sue by EPA set forth in Section VI.

X. ACCESS TO INFORMATION

31. Respondent may assert business confidentiality claims covering part or all of the documents or information submitted to EPA under this Settlement Agreement to the extent permitted by and in accordance with Section 104(e)(7) of CERCLA, 42 U.S.C. § 9604(e)(7), and 40 C.F.R. § 2.203(b). Documents or information determined to be confidential by EPA will be afforded the protection specified in 40 C.F.R. Part 2, Subpart B. If no claim of confidentiality accompanies documents or information when they are submitted to EPA, or if EPA has notified Respondent that the documents or information are not confidential under the standards of Section 104(e)(7) of CERCLA or 40 C.F.R. Part 2, Subpart B, the public may be given access to such documents or information without further notice to Respondent.

32. Respondent may assert that certain documents, records and other information are privileged under the attorney-client privilege or any other privilege recognized by federal law. If the Respondent asserts such a privilege in lieu of providing documents, it shall provide EPA with the following: 1) the title of the document, record, or information; 2) the date of the document, record, or information; 3) the name and title of the author of the document, record, or information; 4) the name and title of each addressee and recipient; 5) a description of the contents of the document, record, or information; and 6) the privilege asserted by Respondent. However, no documents, reports or other information created or generated pursuant to the requirements of this Settlement Agreement shall be withheld on the grounds that they are privileged.

33. No claim of confidentiality shall be made with respect to any data, including, but not limited to, all sampling, analytical, monitoring, hydrogeologic, scientific, chemical, or engineering data, or any other documents or information evidencing conditions at or around the Site.

XI. RECORD RETENTION

34. Until ten (10) years after the Effective Date, Respondent shall preserve and retain all non-identical copies of records and documents (including records or documents in electronic form) now in its possession or control or that come into its possession or control that relate in any manner to the condition of the Site or the liability of any person under CERCLA with respect to the Site, regardless of any corporate retention policy to the contrary. Respondent also shall instruct its contractors and agents to preserve all documents, records, and information of whatever kind, nature or description consistent with this Paragraph.

35. At the conclusion of this document retention period, Respondent shall notify EPA at

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least ninety (90) days prior to the destruction of any such records or documents, and, on request by EPA, Respondent shall deliver any such records or documents to EPA. Respondent may assert that certain documents, records and other information are privileged under the attorney-client privilege or any other privilege recognized by federal law. If Respondent asserts such a privilege, it shall provide EPA with the following: 1) the title of the document, record, or information; 2) the date of the document, record, or information; 3) the name and title of the author of the document, record, or information; 4) the name and title of each addressee and recipient; 5) a description of the subject of the document, record, or information; and 6) the privilege asserted by Respondent. However, no documents, reports or other information created or generated pursuant to the requirements of this Settlement Agreement shall be withheld on the grounds that they are privileged.

36. Respondent hereby certifies that to the best of its knowledge and belief, after thorough inquiry, it has not altered, mutilated, discarded, destroyed or otherwise disposed of any records, documents or other information (other than identical copies) relating to its potential liability regarding the Site since notification of potential liability by EPA or the state of Nevada and that it has fully complied with any and all EPA requests for information pursuant to Sections 104(e) and 122(e) of CERCLA, 42 U.S.C. §§ 9604(e) and 9622(e), and Section 3007 of RCRA, 42 U.S.C. § 6927.

XII. NOTICES AND SUBMISSIONS

37. Whenever, under the terms of this Settlement Agreement, notice is required to be given or a document is required to be sent by one Party to another, it shall be directed to the individuals at the addresses specified below, unless those individuals or their successors give notice of a change to the other Parties in writing. Written notice as specified herein shall constitute complete satisfaction of any written notice requirement of this Settlement Agreement with respect to EPA and the Respondent.

As to EPA:

Jere Johnson
EPA, Region IX (SFD 8-2)
75 Hawthorne Street
San Francisco, California 94105

As to Respondent:

Jack Oman
Project Manager
Atlantic Richfield Company
4 Centrepoint Dr.
La Palma, California 90623

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XIII. INTEGRATION

38. This Settlement Agreement constitutes the final, complete and exclusive agreement and understanding among the Parties with respect to the settlement embodied in this Settlement Agreement. The Parties acknowledge that there are no representations, agreements or understandings relating to the settlement other than those expressly contained in this Settlement Agreement.

XIV. EFFECTIVE DATE

39. This Settlement Agreement shall be effective five (5) days after the Settlement Agreement is signed by the Assistant Director.

It is so SETTLED AND AGREED this _____ day of _____, 2013.

For Respondent ATLANTIC RICHFIELD COMPANY

By: MARCUS R. FERRIES

Title: VICE PRESIDENT

For EPA:

BY:_____ DATE:_____

Michael Montgomery
Assistant Director, Superfund Division
Region IX
U.S. Environmental Protection Agency

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