

SOILS HANDLING PROCEDURES



Environmental Engineering and Consulting
Remediation and Management Services

October 5, 2006

Colorado Department of Public Health & Environment
HMWMD-RP-B2
4300 Cherry Creek South
Denver, Colorado 80222-1530

Attention: Mr. Mark Walker

Re.: Gold Hill Mesa Site, Colorado Springs
No Action Determination Application, Filing 1A

Dear Mr. Walker:

On behalf of Gold Hill Mesa Partner, LLC, Casey Resources, Inc. transmits the following information in support of the referenced No Action Determination request dated September 1, 2006.

- The Gold Hill Mesa Project Home Building Procedures which are attached. These are the procedures to be used by the Home Builder for Filing 1 to penetrate the engineered cap to place building foundations and services as part of the Filing 1 development. The Home Builder and Gold Hill Mesa Partners commit to providing an environmental professional acceptable to the CDPHE who will certify that the Cap will be replaced in accordance with the VCUP for the site following approval of the NAD application.
- Table 1 and Table 2 which are spreadsheets of soils data of clean borrow sources collected on the subject property which are being used, in part, as cap makeup soils for Filing 1A. This data is offered in support of the arsenic and lead action levels proposed for the property in the NAD Application.

This information along with the updated survey data to support the Filing 1A Cap certification are provided to CDPHE in its review of the referenced NAD application. The survey information will be provided under separate cover as soon as the Quality Assurance review is complete. Changes in grade were made by design engineers in Filing 1A following the certification provided on August 17 to CDPHE. The new survey data augments that data previously submitted.



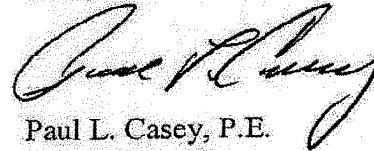
Letter to Mr. Mark Walker

October 5, 2006

Page 2 of 2

If you have any questions regarding the attached or the NAD application please do not hesitate to call me. I understand that the 45 day review period will expire on October 16 and that, absent any additional data requests, that a decision on the NAD approval will be made by that time. Thank you for your expeditious review of the application.

Sincerely,
Casey Resources, Inc.



Paul L. Casey, P.E.
Principal Engineer

Cc: Robert Hadley, GHMP
Bob Willard, GHMP
Monte McKeehen, GHMP



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Gold Hill Mesa Project Home Building Procedures

In Filing #1 there are 114 lots which include multi-family, commercial and single family home lots. In filing #1, 18 lots have been constructed on native ground and are not underlain by tailings. In these 18 lots there is no requirement for special procedures for construction. Subsequent filings are anticipated to follow the same procedures. These lots have been identified and will be constructed at a later date according to the development schedule. The following requirements, both general and specific to each construction related activity, distinguish between those workers who will be performing intrusive and non-intrusive work. Intrusive activities are defined as those activities that involve excavation, trenching or drilling that will place the worker in contact with exposed tailings. Consult the onsite Environmental Manager to determine if a particular activity is considered intrusive.

General Safety Requirements

The workers can change-out at the lot prior to entering. The workers should store reusable PPE, (cloth coveralls) in a container or bag and stored in a manner to prevent any spread of tailings contamination between uses. Disposable shoe/boot covers, gloves, or tyvek coveralls (if used) shall be placed in a trash bag and disposed of onsite in a trash receptacle provided by the builder.

Prior to entering the excavation the workers shall don the proper PPE covering hands, shoes and clothing. They may then enter the excavation to perform work. Upon exiting the worker shall remove PPE and properly store or dispose of used protective clothing as previously described. Any equipment that has come into contact with tailings shall be washed or wiped off prior to leaving the lot/site to remove tailings material. Equipment that will remain on the site in the excavation area does not need to be cleaned between uses.

The following procedures shall pertain to all homes built on lots that are constructed on tailings and have barrier and cap placed. These procedures are activity specific according to those activities defined as necessary by the builder.

Locators

Personnel performing pre-construction locates, prior to excavation, shall not be required to wear any special personal protective equipment (PPE) unless they need to perform locates in tailings exposed areas. If they are to perform locates in tailings exposed areas, the 40 HR training and PPE requirements as outlined by OSHA shall be followed. Utility locating contractors shall consult with the builder and onsite Environmental Manager to determine the appropriate level of PPE.

Surveying

The surveying contractor is responsible for adhering to OSHA requirements for this project. For the initial layout of the lots on the surface there is no requirement for the surveyors to wear coveralls or any other protective clothing as all their work will be on the clean capped surface.

For staking within the excavation (if any), 40 Hr training certification and protective clothing, per the site safety plan will be required to enter the excavation. The workers can change-out at the lot prior to entering. The workers should store reusable PPE, (cloth coveralls) in a container or bag and stored in a manner to prevent any spread of tailings contamination between uses. Disposable shoe/boot covers, gloves, or tyvek coveralls (if used) shall be placed in a trash bag and disposed of onsite in a trash receptacle.

Prior to entering the excavation the workers shall don the proper PPE covering hands, shoes and clothing. They may then enter the excavation to perform work. Upon exiting the worker shall remove PPE and properly store or dispose of used protective clothing as previously described. Any equipment that has come into contact with tailings shall be washed off or wiped off prior to leaving the site.

Soils Tester/Engineer

Upon completion of the excavation, soils inspectors will need to enter the excavation for inspection and determination if overexcavation of the foundation area is required. Inspectors may enter the excavation wearing shoe/boot covers, gloves. Coveralls are suggested but not required to perform this work. All PPE shall be removed upon exiting the excavation and properly disposed of. If an overexcavation is directed by the soils engineer, the excavated materials shall be hauled to the designated dump area. Clean materials that will be placed in the excavation shall enter and remain on clean areas to avoid cross contamination. Any tools or equipment that are in contact with the tailings material shall be cleaned off prior to leaving the site. The soils tester/inspector company shall adhere to all OSHA related requirements and are responsible for ensuring that those requirements are being met.

Foundation Excavation

All foundation excavations on this project are considered intrusive and will require a subcontractor that has 40 HR certified workers, with the exception of the 18 lots in filing #1 that are constructed on native ground. There may be additional lots in subsequent filings that will not require these controls. Homebuilders will be advised of these lots as they are scheduled for excavation. The subcontractor or homebuilder shall be responsible for all OSHA area controls to prevent unauthorized personnel or public from entering the excavation areas. Controls shall include barricades or orange construction fence to designate the tailings area that is exposed. Restricted area signs shall be posted on all sides of the fence in reasonable increments (e.g., every 50 feet) to advise unfamiliar personnel of the controlled area. The subcontractor shall have a means of dust control on those lots being excavated.

All excavations shall be performed using a track-hoe. The top cap material, typically, the upper 3 feet of material, shall be excavated and placed in a stockpile on or near the lot for use during backfill. All materials at the barrier and below that will be used for backfill of the foundation or within the garage areas shall be stockpiled on the lot for future use. This material shall be watered as needed to prevent dust issues and potential airborne contamination. Lots adjacent to the excavations may have vertical construction activities in progress and be considered clean areas. It is also important that run-off protection be installed around the stockpiled tailings to prevent tailings spread due to heavy rain over capped portions of the lot. Excess tailings that will not be used as backfill for the excavation shall be directly loaded into a dump truck and hauled to a designated disposal area. This disposal area shall be adjacent to a designated tailings area and the truck should remain on clean material while dumping. This will negate the need for decontamination prior to returning to the excavation.

Dewatering Excavations

In the event that storm water is present in any excavation that contains tailings, the water must be handled as potentially contaminated. This water can be used as dust control for backfill however, the water **cannot** be pumped out into open areas that have previously been capped or pumped into existing storm drains. The water must be pumped out into a water truck or other contained unit and disposed of onsite in a tailings area that is currently being worked.

Footer Installation, Wall Forms and Wall Installation

All workers associated with the construction of the footers within the excavation shall adhere to all OSHA requirements for this site. Workers that will come into contact with tailings materials during the execution of this work shall wear required PPE under the site H&S plan and have the 40 HR certification training. If the bottom of the excavation is capped with clean fill and the sidewalls are covered/protected with a material (plastic sheeting, mirifi fabric) that will prevent the possibility of workers coming into direct contact with tailings, and therefore, PPE requirements can be relaxed. Trucks delivering

forms, concrete, or other materials shall remain on clean ground to avoid having to decontaminate delivery vehicles.

Underground Utilities (Sewer Service, Water Service, Gas, Electric)

All subcontractors working on this project shall follow OSHA requirements during the execution of this work. Any personnel that will come into contact with tailings materials during excavation work that penetrates the cap barrier shall wear required PPE (coveralls, boot covers, gloves) to prevent the possibility of contact with tailings. The subcontractor shall have active dust control measures in place during excavation and backfill to prevent airborne dust.

During excavation in lots, the subcontractor should separate the materials excavated from above the barrier (upper 3') as clean material. The soil should be segregated from materials excavated below the barrier (tailings) to avoid cross contamination. The first 2' of backfill above the barrier may consist of 40% tailings to 60% clean materials mix. The final 1' of backfill must be clean material. Backfill below the barrier can be pure tailings or any mixture of material available.

All areas where the subcontractor breaches/cuts through the barrier shall replace the barrier at the same elevation, securing it to exposed barrier in the trench with zip-ties. When barrier is being placed, the Environmental Manager shall be contacted to verify proper barrier placement prior to backfill. If trenches that breached the cap barrier are backfilled prior to verification of proper barrier placement, the materials shall be re-excavated and properly fixed at the subcontractor's expense.

The Environmental Management inspector can be contacted at 719-314-9554 or in the onsite office (719-633-7631) during normal construction hours.

Foundation Drain, Vent System, and Waterproofing

The subcontractor is required to follow all OSHA requirements for this site. In the event that a lot has been over-excavated for geotechnical reasons, the foundation drain, and vent system will not be excavated into tailings. In this case no PPE will be required during installation providing protection from potential exposure has been implemented (sidewall covering). On lots that are not over-excavated, workers installing the drains/vents may come into contact with tailings in the excavation and should wear all required PPE.

Window Well Installation

At this point the bottom of the excavation should be covered with clean materials. As long as there is protection on the side wall area where wells are to be installed, no special PPE will be required. If there is a possibility of contact with sidewall tailings, proper PPE should be worn.

Excavation Backfill

Backfill within the garage area can consist of any material onsite including tailings. Keep in mind if the backfill surface is tailings then flatwork personnel will require proper PPE to avoid contact with contamination.

Backfill around the exterior perimeter can consist of tailings and tailings contaminated materials up to within 4' of final grade. At this elevation the backfill subcontractor shall reinstall the specified barrier material attaching it to both the foundation wall and the barrier material within the sidewall of the excavation. The Environmental Manager shall be contacted prior to covering up the barrier to document proper placement.

Backfill above the barrier shall consist of 2' of 40% tailings and 60% clean mix at a minimum. The top 2' of backfill shall consist of all clean material.

Upon completion of the backfill, the subcontractor shall thoroughly clean the surface of the lot to ensure that any tailings that were dropped or spread during lot construction is mitigated.

Flatwork (Slabs)

At this point of construction all exposed tailings excavations should be completed and tailings exposure will be at a minimum. There is a possibility that workers would come into contact with tailings if the garage area was backfilled to the surface with tailings. In this case workers should ensure that all clothing, boots, equipment are cleaned off prior to leaving the site.

Vertical Construction

Upon completion of all excavating and other underground work, the lot would be released for vertical construction. No special PPE is required for this work. Workers should be made aware of any hazards associated with excavations and exposed tailings adjacent to the lots they are performing vertical construction on. Proper postings and hazard communication will help prevent any possibility of contacting exposed tailings.

Soil Handling Procedures during Foundation Installation at the Gold Hill Mesa Project

Procedures

1. All excavation and material handling activities shall be performed in accordance with local, state or federal dust control regulations.

2. Material excavated from the ground surface (at time of foundation installation) to the ID barrier will be handled as one mixture. No attempt should be made to segregate the top one foot of "clean soils" from the 2 feet of "mixture material" directly beneath it.
3. All material excavated from the existing ground surface down to the ID barrier that is expected to be used as backfill following the construction of the under drain and the foundation should be stockpiled either on visquene or in water-tight storage bins. No excavated material shall be allowed to have contact with the existing ground surface on the homesite.
4. Excavated material to be used as backfill shall be placed and compacted in accordance with JLH's approved construction plans from the bottom of the excavation up to 3 feet below existing ground surface. The ID barrier shall be replaced and another 2 feet of excavated material shall be placed and compacted. The final material to be placed shall be certified clean imported fill. "Clean" material is defined for JLH construction purposes as material with concentrations of metals (including arsenic, cadmium and lead) that are at or below US EPA Preliminary Remediation Goals (PRGs) or in the case of arsenic, at levels approved by JLH. Methods to certify the imported fill material is "clean" include:
 - Statistically valid number of chemical analysis results from a certified laboratory, and
 - Sufficient background information regarding the source of the material.
5. The final "clean" cap material will be 2 feet thick in the foundation excavation and one foot thick in all other locations on the homesite. No excavated material shall be allowed to have contact with the existing ground surface on the home site.
6. All material excavated from the existing ground surface down to the ID barrier that is NOT expected to be used as backfill following the construction of the under drain and the foundation should be loaded and hauled off the home site. This material which consists of both tailings and mixed material and will be deposited in other areas of the property that require fill. These areas will be approved by Gold Hill Mesa. No excavated material shall be allowed to have contact with the existing ground surface on the home site.
7. All material excavated below the ID barrier shall be hauled off the homesite or can be used as backfill below the ID barrier. The off-hauled material which consists of both raw tailings and mixed materials will be deposited in other areas of the property that require fill and approved by Gold Hill Mesa. No excavated material shall be allowed to have contact with the existing ground surface on the home site.
8. JL Homes personnel and Gold Hill Mesa Partners, LLC will document the material handling procedures. Adequate documentation can be visual observation

of the material handling activities including excavation and backfill supported by sufficient photo documentation and accurate field notes. If it is determined that the photo documentation of the field notes are not sufficient, depth specific soil sampling and analysis can be performed.

TABLE 1

**TOTAL METAL CONCENTRATIONS FOR THE CUT/BORROW AREA
GOLD HILL MESA DEVELOPMENT
COLORADO SPRINGS, COLORADO**

Sample Number	Metal Concentration in milligrams per kilogram (mg/Kg)									
	Arsenic	Barium	Cadmium	Chromium	Lead	Mercury	Selenium	Silver		
Cut/Borrow #1	15	--	--	--	--	--	--	--	--	--
Cut/Borrow #2	14	--	--	--	--	--	--	--	--	--
Cut/Borrow #3	21	98 B	<0.82	6.1	29	0.061	<8.2	<2.5		
Cut/Borrow #4	18	--	--	--	--	--	--	--	--	--
Cut/Borrow #5	19	--	--	--	--	--	--	--	--	--
Cut/Borrow #6	12	--	--	--	--	--	--	--	--	--
Cut/Borrow #7	17	--	--	--	--	--	--	--	--	--
Cut/Borrow #8	19	51 B	<0.81	7.7	21	0.047	<8.1	<2.4		
Cut/Borrow #9	14	--	--	--	--	--	--	--	--	--
Cut/Borrow #10	19	130 B	<0.81	10	18	0.054	<8.1	<2.4		
Cut/Borrow #11	17	--	--	--	--	--	--	--	--	--
Cut/Borrow #12	15	--	--	--	--	--	--	--	--	--
Cut/Borrow #13	11	--	--	--	--	--	--	--	--	--
Cut/Borrow #14	14	260 B	<0.79	6.2	23	0.038	<7.9	<2.4		
Cut/Borrow #15	11	--	--	--	--	--	--	--	--	--
Cut/Borrow #16	9.3	--	--	--	--	--	--	--	--	--
Cut/Borrow #17	18	240 B	0.85	8.5	54	0.068	<8.2	<2.5		
Cut/Borrow #18	16	--	--	--	--	--	--	--	--	--
Cut/Borrow #19	15	--	--	--	--	--	--	--	--	--
Cut/Borrow #20	16	95 B	0.79	7.4	26	0.063	<7.9	<2.4		
Average	16	145 B	<0.81	7.7	29	0.055	<8.1	<2.4		

-- = Indicates the sample was not analyzed for the listed metal.

< = Not detected at the Lower Quantitation Limit (LQL); Value provided is the LQL.

B = Compound also detected in the laboratory equipment blank sample.

Total metals analyzed by SW6010/7471

TABLE 2
**TOTAL METAL CONCENTRATIONS FOR THE STOCKPILE
 GOLD HILL MESA DEVELOPMENT
 COLORADO SPRINGS, COLORADO**

Sample Number	Metal Concentration in milligrams per kilogram (mg/Kg)									
	Arsenic	Barium	Cadmium	Chromium	Lead	Mercury	Selenium	Silver		
Stockpile #1	24	--	--	--	--	--	--	--	--	--
Stockpile #2	17	93 B	<0.79	8.0	24	0.071	<7.9	<2.4		
Stockpile #3	21	--	--	--	--	--	--	--		
Stockpile #4	21	--	--	--	--	--	--	--		
Stockpile #5	16	--	--	--	--	--	--	--		
Stockpile #6	25	150 B	1.6	6.1	140	0.12	<7.8	<2.3		
Stockpile #7	26	--	--	--	--	--	--	--		
Stockpile #8	31	--	--	--	--	--	--	--		
Stockpile #9	46	170 B	2.1	7.0	200	0.20	<7.4	<2.2		
Stockpile #10	15	--	--	--	--	--	--	--		
Average	24	138 B	1.5	7.0	121	0.13	<7.7	<2.3		

-- = Indicates the sample was not analyzed for the listed metal.
 < = Not detected at the Lower Quantitation Limit (LQL); Value provided is the LQL.
 B = Compound also detected in the laboratory equipment blank sample.
 Total metals analyzed by SW6010/7471