

Site Summary for the Yerington Anaconda Mine Site (YAMS) December 2017

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Location

The Yerington Anaconda Mine site (YAMS) is a CERCLA site currently managed by U.S. EPA Region 9 located in Lyon County, Nevada. The town of Weed Heights lies to the west. The Yerington Paiute Tribe Reservation, open agricultural fields, and homes are to the north. U.S. BLM managed public land is to the south. The Walker River, Yerington Paiute Colony, and the City of Yerington is to the east. In addition to the Yerington Paiute Tribe Reservation, over two hundred non-Tribal homes that rely on domestic wells are located adjacent and near the Site. North of the site, in the area of mine contaminated groundwater, there is 7,481 acres of agricultural property using 20,364 acre feet of groundwater per year; known to be contaminated by the mine.

History and Liability

Anaconda operated the mining and milling facility at the site from 1953 to 1978. The Atlantic Richfield Company purchased Anaconda in 1977 and BP Amoco acquired the Atlantic Richfield Company in 2000. Following closure of the mine in 1978, the Atlantic Richfield Company sold the mine property to a local entrepreneur, Don Tibbals, who in turn leased a portion of the property to Unison, a subsidiary of Union Carbide, which is now a subsidiary of the Dow Chemical Company. Unison salvaged drained electrical transformers for metals such as copper and brass.

Mining operations at the site generated 360 million tons of ore and debris as well as 15 million tons of overburden resulting in 400 acres of process waste piles, 900 acres of contaminated tailings, and 300 acres of disposal ponds. During approximately 50 years of operation, the mine produced millions of gallons of low pH wastewater daily with elevated concentrations of heavy metals and radionuclides. Wastewater was disposed of by evaporation and percolation in unlined and partially lined ponds that are the primary structures composing the northern section of the site. The 180-acre mine pit lake is the southern section of the site and contains 40,000 acre feet of water.

Liability for most of the site is the responsibility of BP, the successor of BP Amoco, the Atlantic Richfield Company and Anaconda. Union Carbide and Don Tibbals have been identified as Potential Responsible Parties (PRPs), but due the larger share considered for BP and the joint and severable, strict, and retroactive liability under CERCLA, BP can be held responsible for all assessment, remediation, and maintenance at the site. Using regulations found in CERCLA, the EPA has been able to prevent large sites, such as the YAMS, from going into extended litigation and also recover funds from PRPs, such as BP, successfully.

Contaminants of Concern

The primary contaminants of concern for the site include aluminum, arsenic, beryllium, boron, cadmium, chromium, copper, iron, lead, manganese, mercury, molybdenum, nickel, selenium, uranium and zinc in addition to radionuclides uranium-234, uranium-235, uranium-238, thorium-230, thorium-232, radium-226, and radium-228. Additional environmental issues

associated with the site include chloride, sulfate, low pH (acidic) conditions and particulate matter in air. The principle hazard from the site is contaminated groundwater; although air quality, surface soils and surface water are also pathways being investigated.

Area of Investigation

YAMS includes the 3,500 acre historic mine site and the extent of contamination from that site including:

- The Wabuska Drain, a 10 mile long agricultural drain that includes sections of the Perazzo Slough, on approximately 75% private property and 25% Tribal/BLM property
- Mine-impacted groundwater. The groundwater currently used for agriculture and domestic use, is 383,652 acre feet and contains 95.9 tons of uranium
- Wabuska siding. This area is located north of the site and northwest of Wabuska. It is unassessed and the property ownership may include both private and public property.
- The Walker River below Wabuska Drain and including the Weber Reservoir. This entire area is located on the Walker River Paiute Reservation and includes 3,540 acres of wetlands, river, and the Weber Reservoir.

In total, the area currently under assessment for contamination due to releases from YAMS is 6,910 acres: 26% private and 74% public (50% Tribal, 24% BLM).

Current Operations

The private portion of the historic mine property is currently owned by Quaterra Resources Inc, a Canadian mining company, through their subsidiary, Singatse Peak Services LLC. Additionally, a local interest, Yerington Mining LLC, which includes managing ownership by Desert Pearl Farms (David Peri), receives \$100,000 annual payments from Quaterra Resources Inc for access to unspecified resources. With the withdrawal of their partner for mine development at the site, Freeport Nevada (a wholly owned subsidiary of Freeport Minerals Corporation in turn owned by Freeport-McMoRan Inc), in September 2017 and depressed metal prices resulting in scaled back operations at other local mines including the nearby Pumpkin Hollow, future mining development at the site should be considered unlikely. However, economic development at sites such as YAMS is only limited to compliance with future property use restrictions and may benefit from a number of federal programs and other economic development initiatives.

Deferral Request

In February of 2017, the U.S. EPA delayed final listing of the site at the request of the State of Nevada. This deferral request, signed by Scott Pruitt, EPA Administrator and Governor Sandoval on February 5, resulted in NDEP becoming the lead agency for the site and the removal of CERCLA resources and future CERCLA funding from the site. This is the first site on EPA Region 9 to undergo a deferral process and since YAMS does not meet the criteria found in guidance documentation, this is an unprecedented move by EPA. Concerns for deferral include the lack of jurisdiction of NDEP for the majority of the site, the financial burden expected to be placed on the state (EPA is currently holding tens of millions of dollars in contested reimbursements, money owed to EPA by BP for work at the site), and separation of the site from CERCLA resources including funding and regulatory authority. The agreements for

deferral also delay groundwater cleanup and saddle the state with long term maintenance costs for the site.