

March 27, 2007

J. Chris Pfahl
Site Manager
ASARCO LLC
PO Box 440
Wallace, ID 83873

Dear Mr. Pfahl:

The Forest Service has been notified that early 2007 trust funds are now available for the completion of ASARCO's Engineering Evaluation/Cost Analysis (EE/CA) for the Azurite Mine and Mill Site.

Please provide us with a schedule for the revision of the EE/CA. We estimate that 30 work days is a reasonable time frame for the document rewrite. The Forest Service submitted comments on the September 21, 2006 Draft-final EE/CA on November 22, 2006 with a follow-up email on January 24, 2007 answering MFG's responses to our comments and a request for clarification and information (copies attached). In addition to the above-mentioned comments the Forest Service asks MFG to provide in the EE/CA:

- A rough cost estimate for the complete offsite removal to the Arlington Class C repository, and;
- A discussion of an alternative that would place a portion of the contaminated soils (probably the tailings) back in the mine workings.

In addition, I suggest that we arrange a conference call for April 3, 2007 at 9AM PDT to discuss the above elements or other questions you may have. If ASARCO has a conflict at that time, please contact me to arrange a mutually acceptable time. Thank you.

Sincerely,



Rodney T. Lentz
OSC

cc: Rick Roeder, WDOE
Jim Alexader, OGC
Dick Sawaya, FS
Bob Fujimoto, FS
Tom Mullin, LFR

Enclosures