Sun Exh. 20

Linda S. Adams
Secretary for Environmental Protection

Californ Regional Water Quality Co. .rol Board
Central Valley Region
Karl E. Longley, ScD, P.E., Chair

11020 Sun Center Drive #200, Rancho Cordova, California 95670-6114
Phone (916) 464-3291 • FAX (916) 464-4645
http://www.waterboards.ca.gov/centralvalley

Arnold Schwarzenegger
Governor

28 April 2009

FILE COPY

APPROVED
author VRP
senior VRP

Susan E. Taylor
Corporate Counsel
Rio Tinto Services, Inc.
4700 Daybreak Parkway
South Jordan, Utah 84095

DRAFT CLEANUP AND ABATEMENT ORDER, CENTRAL HILL, EMPIRE, MANZANITA, AND WEST END MINES, COLUSA COUNTY

Thank you for your response letter received 6 April 2009 to the Draft Cleanup and Abatement Order (CAO). In the letter you stated, "... we believe Cordero Mining Co. (now Cordero Mining LLC) has been wrongly identified as a potentially responsible party for the mine properties at issue in your March 18, 2009 correspondence." At this time we disagree with this statement. Based on evidence presented to date, we believe that the Cordero Mining Company purchased by Kennecott Corporation in 1993 is one and the same company that was created in 1941 by Sun Oil Company.

As related to Cordero Mining Company, the following chronology has been established. Sun Oil Company was incorporated in New Jersey in 1901 as the Sun Company, succeeding The Sun Oil Company of Ohio, which was incorporated in 1888. In 1922, the Sun Company changed its name to the Sun Oil Company. Cordero Mining Company of Nevada was created by Sun Oil Company in 1941. In 1971, Sun Oil Company was incorporated in Pennsylvania, and became the successor to Sun Oil Company, incorporated in New Jersey 1901. Sun Oil Company became the non-operating parent company, owning shares of the New Jersey corporations' former subsidiaries and of two newly formed, wholly owned subsidiary corporations, Sun Oil Company of Pennsylvania and Sun Oil Company of Delaware. Sun Oil Company of Delaware was responsible for exploration and production of crude oil and natural gas in the United States. Under a subsequent structural reorganization in 1976, Sun Oil Company was renamed Sun Company, Inc.

Cordero Mining Company was created by Sun Oil Company in order to supply mercury for motor oil produced by Sunoco. With technological advancements, the demand for mercury decreased. Consequently, Cordero Mining Company pursued other economically viable commodities, such as coal and geothermal. According to public records, Cordero Mining Company pursued geothermal interests in the Sulphur Creek area of Colusa County, California from approximately the mid-1960s through the early 1970s. Cordero Mining Company, a subsidiary of Sun Company, Inc., began operated the Cordero Mine in Wyoming's Power River Basin in the 1970s. In 1993, Kennecott Corporation, which is a wholly-owned subsidiary of Rio Tinto, Plc, purchased Cordero Mining Company from Sun Company, Inc. Although the focus of the Cordero Mining Company at the time of purchase

was coal as related to the Powder River Basin in Wyoming, the history of the Cordero Mining Company, once owned by Sun Company, Inc., was focused on geothermal and mercury.

Enclosed are some of the documents we have obtained through researching public records and other publicly available resources.

To support the position that Cordero Mining Company once owned by Sun Oil Corporation (or Sun Company, Inc.) and involved in activities in Colusa County, California, is different from the company purchased by Kennecott Corporation in 1993, we are requesting that you provide the following documentation:

- All Articles or Certificates of Incorporation, Statement of Interests, Annual Reports, and Amendments, including but not limited to, mergers, acquisitions, reorganizations, dissolutions, agreements and plans, and foreign corporations for any active or inactive company associated with Cordero Mining Company. We understand that Cordero Mining Company was purchased by Kennecott Corporation in 1993. To substantiate your company's position on this matter, it is expected that Rio Tinto will need to provide historical documentation that extends back at least 10 years prior to the purchase. We also understand that this research may extend to several states, including, but not limited to, Wyoming, Nevada, California, Pennsylvania, Delaware and New Jersey. Please provide certified copies from either the Secretary of State or the Department of Corporation for each of these documents.

If your company has other relevant and substantiating documentation that resolves this issue, we request that you provide this information as well. Specifically, this documentation should provide relevant evidence that the Cordero Mining Company once owned by Sun Oil Corporation (or Sun Company, Inc.) and involved in activities in Colusa County, California, is different from the company purchased by Kennecott Corporation in 1993. We appreciate that this information be provided by 29 May 2009.

If you have any questions, do not hesitate to email me at vizzo@waterboards.ca.gov or call me at (916) 464-4626.

VICTOR J. IZZO
Senior Engineering Geologist
Title 27 Permitting and Mining Unit

Enclosure(s)

cc: Patrick Pulupa, Staff Counsel, Office of Chief Counsel, SWRCB, Sacramento