

## **Molycorp Louviers Facility Environmental Covenant Summary**

**Covenant ID: HMC0V00020**

### **Covenant Information:**

Covenant Date: 9/16/2005

Self Reporting: No

Media of Concern:

Surface Water: No

Groundwater: Yes

Air: No

Soil: No

Other: No

Contaminants of Concern: nitrate, perchlorate

Property Restrictions:

1. The alluvial groundwater, located between the ground surface and bedrock underlying the property, may not be used for human or livestock consumption

### **Site Information:**

ID: 076448794

Name: Molycorp Louviers Facility

Address: 9841 North Highway 85

City: Louviers

State: CO

Zip Code: 80131

Legal Description:

County: Douglas

### **Site Contact Information:**

Molycorp, Inc.

Name: Mr. Ray Cherniske

Address: PO Box 469

City: Questa

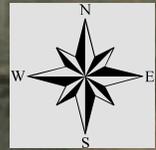
State: NM Zip Code: 87556-7603

# MOLYCORP LOUVIERS FACILITY

105° 1'0" W

105° 0'30" W

Featured Institutional Control



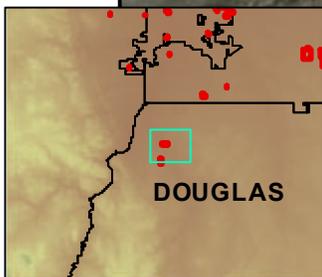
39° 30'0" N

39° 30'0" N



39° 29'30" N

39° 29'30" N



DOUGLAS

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105° 1'0" W

105° 0'30" W

## HMCOV00020

0

370

740

Meters



# 2005093703  
09/30/2005 12:50 PM



2005093703 6 PGS

**This Property is Subject to an Environmental Covenant Held by the  
Colorado Department of Public Health and Environment Pursuant  
to Section 25-15-321, C.R.S.**

**ENVIRONMENTAL COVENANT**

Molycorp, Inc. ("Molycorp") grants an Environmental Covenant ("Covenant") this 12<sup>th</sup> day of September, 2005 to the Hazardous Materials and Waste Management Division of the Colorado Department of Public Health and the Environment ("the Department") pursuant to § 25-15-321, C.R.S. of the Colorado Hazardous Waste Act, § 25-15-101, *et seq.* The Department's address is 4300 Cherry Creek Drive South, Denver, Colorado 80246-1530.

WHEREAS, Molycorp is the owner of certain property commonly referred to as the Molycorp Louviers Facility, located in Douglas County, Colorado, more particularly described in Attachment A, attached hereto and incorporated herein by reference as though fully set forth (hereinafter referred to as "the Property"); and

WHEREAS, in May 1997, to resolve by agreement issues arising under the Colorado Hazardous Waste Act, § 25-15-301, *et. seq.* ("CHWA"), and the associated Colorado Hazardous Waste Regulations, 6 Colo. Code Reg. 1007-3, Molycorp and the Department agreed to enter into Compliance Order on Consent No. 97-05-20-01, including subsequent amendments thereto (collectively referred to as "Consent Order"), for the purpose of investigating the nature and extent of contamination at the Property as well as taking appropriate remedial action at the Property, and

WHEREAS, the Department has determined that the soil and groundwater remediation conducted by Molycorp has been successful and that no further action is required for the Property with respect to the monitoring, corrective measures and reporting requirements set forth in the Order on Consent for nitrates in soil and groundwater, and

WHEREAS, the Department has determined that no further action is required for the Property with respect to any additional investigation and/or remediation requirements set forth in Paragraph 12 of the Order on Consent for the referenced hazardous wastes/hazardous constituents [i.e., spent solvents (D001), chrome waste (D007), lead waste (D008) and mixed spent solvents (including D001 and D002 mixed with radioactive waste)], and

WHEREAS, the Department has determined that the treatment activities for nitrates also have been effective in reducing the concentration of perchlorate in groundwater at the Property and that since the perchlorate in groundwater that exits the Property does not, and likely will not in the future, represent an unacceptable threat to human health or the environment, that no further action is required for the Property with respect to perchlorate, and

WHEREAS, the purpose of this Covenant is to ensure protection of human health and the environment by restricting the use of the Property to prohibit the use of alluvial groundwater, located between ground surface and bedrock underlying the Property, from use for human or livestock consumption, and

WHEREAS, Molycorp desires to subject the Property to certain covenants and restrictions as provided in Article 15 of Title 25, Colorado Revised Statutes, which covenants and restrictions shall burden the Property and bind all parties having any right, title or interest in the Property, or any part thereof, their heirs, successors, assigns, and any grantees of the Property, their heirs, successors, assigns and grantees, and any users of the Property, for the benefit of the Department; and

NOW, THEREFORE, Molycorp hereby grants this Environmental Covenant to the Department, and declares that the Property as described in Attachment A shall hereinafter be bound by, held, sold, and conveyed subject to the following requirements set forth in paragraphs 1 through 11, below, which shall run with the Property in perpetuity and be binding on OWNER and all parties having any right, title or interest in the Property, or any part thereof, their heirs, successors and assigns, and any persons using the land. As used in this Environmental Covenant, the term OWNER means the record owner of the Property and, if any, any other person or entity otherwise legally authorized to make decisions regarding the transfer of the Property or placement of encumbrances on the Property, other than by the exercise of eminent domain.

**1. Use Restrictions:**

- A. The alluvial groundwater, located between the ground surface and bedrock underlying the Property, may not be used for human or livestock consumption. This limitation does not apply to the installation or use of any monitoring or treatment well on the Property used solely to obtain samples for analysis and/or to conduct remediation at, on, under, or arising from or relating to, the Property.

**2. Modifications.** This Covenant runs with the land and is perpetual, unless modified or terminated pursuant to this paragraph. OWNER may request that the Department approve a modification or termination of the Covenant. The request shall contain information showing that the proposed modification or termination shall, if implemented, ensure protection of human health and the environment. The Department shall review any submitted information, and may request additional information. If the Department determines that the proposal to modify or terminate the Covenant will ensure protection of human health and the environment, it shall approve the proposal. No modification or termination of this Covenant shall be effective unless the Department has approved such modification or termination in writing. Information to support a request for modification or termination may include one or more of the following:

- a) a proposal to perform additional remedial work;
- b) new information regarding the risks posed by the residual contamination;

- c) information demonstrating that residual contamination has diminished;
- d) information demonstrating that the proposed modification would not adversely impact the remedy and is protective of human health and the environment; and
- e) other appropriate supporting information.

4. **Conveyances.** OWNER shall notify the Department at least fifteen (15) days in advance of any proposed grant, transfer or conveyance of any interest in any or all of the Property.

5. **Incorporation.** OWNER agrees to incorporate either in full or by reference the restrictions of this Covenant in any deeds, leases, licenses, or other instruments granting a right to use the Property.

6. **Notification for Proposed Construction and Land Use.** OWNER shall notify the Department simultaneously when submitting any application to a local government for a building permit or change in land use.

7. **Inspections.** The Department shall have the right of entry to the Property at reasonable times with prior notice for the purpose of determining compliance with the terms of this Covenant. Nothing in this Covenant shall impair any other authority the Department may otherwise have to enter and inspect the Property.

8. **No Liability.** The Department does not acquire any liability under State law by virtue of accepting this Covenant.

9. **Enforcement.** The Department and any OWNER, whether during or subsequent to its period of ownership, may enforce the terms of this Covenant pursuant to §25-15-322, C.R.S. Molycorp may file suit in district court to enjoin actual or threatened violations of this Covenant.

10. **Owner's Compliance Certification.** OWNER shall submit an annual Report to the Department, on the anniversary of the date this Covenant was signed by Molycorp, detailing OWNER's compliance, and any lack of compliance, with the terms of this Covenant.

11. **Notices.** Any document or communication required under this Covenant shall be sent or directed to:

Hazardous Waste Corrective Action Unit Leader  
Hazardous Materials and Waste Management Division  
Colorado Department of Public Health and the Environment  
4300 Cherry Creek Drive South  
Denver, Colorado 80246-1530



