



CHEMICAL COMPANY

April 24, 2008

Mr. Mo Shafii
Assistant Chief, Water Division
Arkansas Department of Environmental Quality
5301 Northshore Drive
North Little Rock, AR 72218-5317

APR 28 2008

RE: El Dorado Chemical Company – AFIN 70-00040
CAO LIS 06-153 Groundwater Recovery Well System

Dear Mr. Shafii:

El Dorado Chemical Company (EDCC) operates a groundwater recovery system consisting of two wells screened in the Cockfield Aquifer, as required by CAO LIS 05-153. On February 6, 2008 you were notified that the two wells were inoperable and that an investigation of the cause was underway. This correspondence summarizes the findings of the investigation to-date and relays the status of groundwater recovery at the EDCC facility.

The subsurface pump and motor in well ECRW-1 was replaced on March 13, 2008 and the recovery well returned to normal operation. Water is currently being recovered at the rate predicted by a normal decline curve. We believe the cause of the downtime was an electrical failure of the pump motor.

The pumping equipment was also replaced in well ECRW-2, but normal operation of the well was not restored as a result. During replacement of the pump, it was determined that approximately seven feet of solids had accumulated in the well casing. The pumping equipment was subsequently pulled from the wellbore and solids flushed from the wellbore using clean fresh water, a pressure pump and tremie pipe. After solids from ECRW-2 were flushed, the pump was reinstalled and the well returned to operation on April 18, 2008. However, on April 20, 2008 well ECRW-2 ceased pumping; it is scheduled to be pulled on April 22, 2008 to determine if mechanical failure of the pump/motor is the cause.

EDCC is continuing recovery of groundwater in ECRW-1 as well as the effort to restore operation of ECRW-2. We will notify you when well ECRW-2 is returned to service and the findings of the additional investigation, if any.

We appreciate your cooperation in this matter. If you have any questions, please call me or Bob McKinney at 870-863-1400.

Sincerely,
El Dorado Chemical Company

A handwritten signature in cursive script that reads "Gregory Withrow".

Greg Withrow
General Manager

cc: John Carver – LSB
Bob McKinney
David Sartain
Brent Parker
Chuck Campbell - GBM^c