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MAR 18 2014

Anchorage Field Office

March 17, 2014

BLM Anchorage Field Office
4700 BLM Road
Anchorage, Alaska 99507

Re: Red Devil Mine Early Action

Calista Corporation was briefed by BLM on February 20, 2014, about the Engineering Evaluation/Cost Analysis that was conducted for proposed work to prevent tailings from moving into Red Devil Creek and into the Kuskokwim River. Red Devil Creek passes through the abandoned mine site and currently is eroding the old tailings at the abandoned mercury mine. Mercury, arsenic and antimony are naturally occurring minerals in the Red Devil rocks. The mine tailings contain residual concentrations of these known contaminants. The creek is a vector that not only erodes the tailings but also transports sediment a relatively short distance to the Kuskokwim River where they are deposited in the river sediment immediately downstream of the creek.

Calista agrees that the on-going erosion of the tailings requires immediate action while the CERCLA Project is in the Remedial Investigative/Feasibility Study stage to prevent further contaminant migration. Based on the information provided in the Engineering Evaluation/Cost Analysis, Calista supports the Preferred Alternative #4, requiring excavation of a portion of Red Devil Creek and the adjacent tailings.

For a minimal increase in cost, Alternative #4 will provide a substantially higher degree of effectiveness in reducing the amount of tailings in the creek because it entails removal and relocation of tailings currently in the stream bed rather than limiting the remedial action to providing a barrier between the tailings and surface water. Additionally, shipment of culverts and liners would not be required under this alternative. Alternative #4 is also a more permanent fix to the tailings erosion issue because removal of the early action remedial structures and subsequent disposal of removed materials will not be required during the final remedial actions taken at the site under.

Thank you for the opportunity to review and comment on the Early Action alternatives to limit the migration of contaminants in Red Devil Creek.

Sincerely,

June McAtee

Vice President, Land & Shareholder Services
Calista Corporation