



September 23, 2005

Mr. David Athey  
Central Coast Regional Water Quality Control Board  
895 Aerovista Place, Suite 101  
San Luis Obispo, CA 93401

**Subject: Drilling Status – Week Ending September 23, 2005**

Dear Mr. Athey:

On behalf of Olin Corporation, please find enclosed a weekly status of the drilling program for the week ending September 23, 2005 as requested in your letter dated April 6, 2005 approving our Llagas Subbasin Monitoring Well Installation Work Plan (Work Plan). Drilling activities and slug testing occurred with two Rotasonic drilling rigs owned and operated by Prosonic Corporation with oversight by a MACTEC Engineering and Consulting, Inc. (MACTEC) California-professional geologist.

Rig Number One resumed work on Tuesday, September 20, 2005, following their scheduled break beginning Thursday, September 15, 2005. They began work on Tuesday morning by drilling well MW-21 from 217 to 307 feet. On Wednesday, September 21, 2005, they drilled from 307 to 377 feet, at which point the drill pipe broke at a depth of 300 feet. They subsequently removed the 300-foot section of drill pipe still affixed to the drilling rig and then “fished” out the 70 foot section from the bottom of the borehole. Drilling resumed from 377 feet on the morning of Thursday, September 22, 2005. Rig Number One will proceed with drilling the MW-21 borehole to a total depth of 450 feet and install a 3-inch PVC well casing with a screened interval yet to be determined.

Rig Number Two resumed work on Tuesday, September 20, 2005, following their scheduled break beginning Thursday, September 15, 2005. Drilling resumed on Tuesday afternoon at well MW-40 from 227 to 277 feet. On Wednesday, September 21, 2005, they drilled from 277 to 377 feet, and had begun drilling from 377 feet on the morning of Thursday, September 22, 2005. Rig Number Two will proceed with drilling the MW-40 borehole to a total depth of 450 feet and install a 3-inch PVC well casing with a screened interval yet to be determined.

Please find attached a schedule for the drilling program that includes projected and actual drilling progress for each of the nine locations, distinguished by the two drilling rigs. To date, the CMT and single-screen monitoring wells at MW-16, MW-17, and MW-44 have been completed (33 percent of drilling program), which is slightly ahead of the projected schedule. As defined in the Piezometer Installation and Destruction Work Plan, 90 working days from Work Plan approval were scheduled with two drilling rigs for monitoring well installation. Based on the approved Work Plan, the projected schedule date of drilling completion is December 2, 2005.

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If you have any questions regarding the status of our drilling program, please do not hesitate to contact Richard W. McClure at your earliest convenience.

Sincerely,

*Michael Taraszki by sub with permission*

Michael Taraszki, P.G., C.Hg.  
Principal Hydrogeologist

*D-RS-ULK*

Donald Smallbeck  
Project Manager

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cc: Mr. Eric Gobler, RWQCB – Central Coast Region  
Richard W. McClure, Olin

Llagas Subbasin Characterization Drilling Program Schedule  
 Olin/Standard Fusee Site  
 Morgan Hill, California

