

# EDGCOMB LAW GROUP

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July 22, 2010

**BY EMAIL & U.S. MAIL**

Ross Atkinson  
Associate Engineering Geologist  
Waste Discharge to Land Unit  
Central Valley RWQCB – Sacramento  
11020 Sun Center Drive, Suite 200  
Rancho Cordova, CA 95670-6114

Re: Mt. Diablo Mercury Mine Insurance Policies

Dear Mr. Atkinson:

This letter concerns the Revised Technical Reporting Order R5-2009-0869 issued pursuant to Section 13267 of the California Water Code regarding the Mount Diablo Mine, Contra Costa County (“Rev. Order”) concerning the Mt. Diablo Mercury Mine (“Site”) issued by the Central Valley Regional Water Quality Control Board (“Regional Board”) to Sunoco, Inc., (“Sunoco”), and other alleged dischargers on December 30, 2009.

The purpose of this letter is to bring the Regional Board’s attention to historical insurance policies related to the Site that Sunoco has identified.

The Mt. Diablo Quicksilver Co., Ltd. (“MDQ”), owned and leased the Site from 1931-1960. Our research indicates that MDQ held insurance policies through various insurance brokers or insurers. Sunoco respectfully requests that the Regional Board issue subpoenas to the following entities in order to determine whether any insurance policies cover property damage at the Site. We enclose Site-related documents involving these entities.

1. Marsh & McLennan Companies  
1166 Avenue of the Americas  
New York, NY 10036  
Tel.: (212) 345-5000

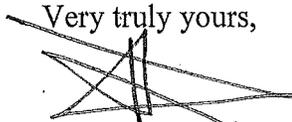
Ross Atkinson  
Re: Mt. Diablo Insurance Policies  
July 22, 2010

2. Insurance Services Office, Inc. ("ISO")(successor to Pacific Fire Rating Bureau)<sup>1</sup>  
Insurance Services Office, Inc.  
Newport World Business Center  
545 Washington Blvd  
Jersey City, NJ 07310-1686  
Tel.: (800) 888-4476  
Fax: (201) 748-1472

One of the enclosures is an 11/8/59 check register stub for an Audit Premium payment to Marsh & McLennan Cosgrove & Co., which references **Policy No. 9MLP28596**. Please ensure that the subpoena to Marsh & McLennan specifically references this policy number in addition to a more general search request for any documents related to the Mt. Diablo Quicksilver Co., Ltd.

Please call me or John Edgcomb if you have any questions.

Very truly yours,



David T. Chapman

Enclosures

cc: Victor Izzo, Senior EG, Regional Board  
Patrick Pulupa, Esq.

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<sup>1</sup> ISO is an organization that collects statistical data, promulgates rating information, develops standard policy forms, and files information with state regulators on behalf of insurance companies that purchase its services.

P. O. Box 133  
Clayton, California  
July 20, 1954

Pacific Fire Rating Bureau  
Merchants Exchange Building  
San Francisco, California

and

To Whom it may concern:

You are hereby informed that, effective today, we have appointed MARSH & McLENNAN to act as our insurance brokers and to represent us in all matters pertaining to insurance on our properties located adjacent to the properties of Mt. Diablo Quicksilver Co., Ltd. approximately 12 miles East of Concord, California, on the Marsh Creek Road, Contra Costa County, near Clayton, California.

This appointment shall remain in full force and effect until you are officially notified in writing to the contrary.

This authority supersedes all other appointments and/or all letters of authorization on record.

BLONBERG, ZUMWALT, LANO,  
NICKERSON and PEARNE

by Victor Blomberg

No 873

10/30 1959

Hassel Blumberg

Expense statement

10/30/59 -

2270

Make No Alteration or Change on Any Check  
If Error is Made, Write New Check

No 874

11/8 1959

Marsh & McLennan

Cashmere & Co.

Audit Premium

7/13/58 - 7/13/59

9 MLP 28596

1875

Make No Alteration or Change on Any Check  
If Error is Made, Write New Check

No 875

11/25 1959

R. H. Kinney -

County TAX

Collector

1st Installment

1959/60 TAXES

208<sup>23</sup>

Make No Alteration or Change on Any Check  
If Error is Made, Write New Check

August 14, 1954

Walter P. Busher & Company  
155 Montgomery Street  
San Francisco 4, California

Gentlemen:

Re: Hartford Steam Boiler Policy 96-5872

This is to acknowledge your letter of August 10, 1954,  
together with endorsement.

In connection with the change of the name of the  
assured and in connection with the expiration date, we  
wish to advise that we strongly expect that a new operator  
will be on our property by the first of next month. We  
will delay making any changes at least until then and  
will advise you further if we wish to renew or change the  
name of the assured.

Very truly yours,

MT. DIABLO QUICKSILVER CO., LTD.

Harold Blomberg - Secretary

HB