



STATE OF IOWA

CHESTER J. CULVER, GOVERNOR
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF NATURAL RESOURCES
PATRICIA L. BODDY, INTERIM DIRECTOR

October 19, 2010

Jim O'Halloran
O'Halloran International
3311 Adventureland Drive
Altoona, Iowa 50009

Subject: O'Halloran International, 1324 South 2nd Street, Cherokee, Iowa

Dear Mr. O'Halloran:

Thank you for the submittal of the Phase II Environmental Site Assessment dated April 20, 2009, conducted on the property referenced above.

The Iowa Department of Natural Resources (IDNR) has reviewed the Phase II Environmental Assessment for evidence suggesting the existence of a hazardous substance. While contaminants have been found, the DNR has not identified evidence suggesting the likely existence of a hazardous condition.

As noted in the report, four soil borings and temporary monitoring wells were installed onsite. Soil and groundwater samples were collected for analysis of volatile organic compounds (VOCs), total extractable hydrocarbons (TEH), and resource conservation recovery act (RCRA) metals. The only exceedance of an applicable standard was barium which slightly exceeded the protected groundwater standard in three of the four groundwater samples.

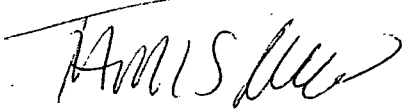
With consideration of the conditions noted above, the Department does not require any follow-up action based on the Phase II findings. This determination should not be construed to be an endorsement by the DNR that a hazardous condition does not exist on the property. Instead, it is a conclusion by the DNR that available information (without regard to the quality or quantity of that information) does not suggest the likely existence of hazardous condition on the property. Furthermore, this determination does not constitute an endorsement by the DNR as to the appropriateness of any proposed use of the property. If such an endorsement is sought, the property may be enrolled in the Iowa Land Recycling Program (LRP), which would involve a thorough investigation and assessment of risks associated with possible uses of the property (www.iowadnr.com/land/consites/lrp/conLRP.html).

Since there are no regulatory requirements for the conduct of Phase I/II Environmental Assessments, the DNR does not approve, reject or otherwise make judgment on the quality or adequacy of Phase I/II Environmental Assessments. Instead the DNR looks at the information provided in a Phase I/II Environmental Assessment in addition to other generally available

information about the property (e.g., geology, well location, land use) for evidence of a potential hazardous condition (as defined in 567 Iowa Administrative Code (IAC) Chapter 131). Hazardous conditions are required to be reported to the DNR (567 IAC Chapter 131).

Feel free to contact me if there are any questions, comments, or concerns at 515-281-4420.

Sincerely,

A handwritten signature in black ink, appearing to read "Tami S. Rice", written over a horizontal line.

Tami S. Rice
Environmental Specialist Senior
Contaminated Sites Section
Iowa Department of Natural Resources

Cc: Cal Lundberg, Supervisor, Contaminated Sites Section, Iowa Department of Natural Resources
CDJR, LLC, 1324 S 2nd Street, Cherokee, Iowa 51012
Field Office 3, 1900 North Grand Avenue, Spencer, Iowa 51301