

Petition Exhibit B

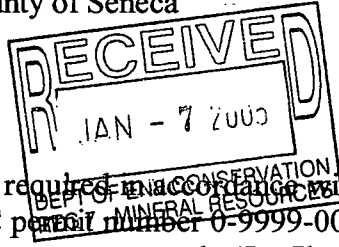


Cayuga Mine
191 Portland Point Road
Lansing, NY 14882
Phone: (607) 533-4221
Fax: (607) 533-4501

Mr. Joseph S. Moskiewicz, Jr. – Mineral Resources Program Manager
New York State Department of Environmental Conservation
Division of Mineral Resources, Region 7
615 Erie Boulevard West, Syracuse, New York 13204-2400
Phone: (315) 426-7461; Fax (315) 426-7459

RE: Annual Report for Mine File #709-3-29-0052; Cayuga Salt Mine
Application ID#0-9999-00075-00001
Towns of Lansing and Ulysses, County of Tompkins
Town of Covert, County of Seneca

Dear Mr. Moskiewicz:



Enclosed is an annual report required in accordance with the Special Conditions section (item numbers 7-13) of DEC permit number 0-9999-00075/00001. This report will address each reporting requirement separately (7a, 7b, etc.) and drawings will be attached as required. As requested, all technical data associated with monitoring of mine stability will be sent to J.T. Boyd and Associates with attention to Vincent Scovazzo.

If any questions arise please bring them to my attention at your earliest convenience.

Regards,

A handwritten signature in cursive script that reads "Steve Horne".

Steve Horne
Mine Manager – Cargill Deicing Technology

Reporting, Monitoring, and Notifications

7a. Cargill Cayuga Mine Manager Certification:

I, Steven J. Horne, Mine Manager – Cargill Deicing Technology, certify that all mining activities, to the best of my knowledge, conducted during the reporting period from January 6, 2004 to present were in conformance with the DEC Permit # 0-9999-00075/00001 and the approved plans. No variances occurred and none were reported.

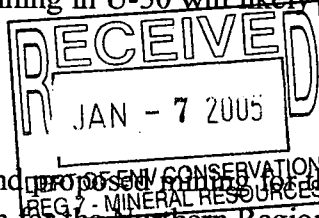
Signed: Steven J. Horne Date: 1-05-05

7b. Summary of all non-routine mining incidents:

The Cayuga Mine is not aware of any non-routine incidents associated with the mining, processing, or other mine related activities that would have adversely affected any of the following;

- Mine stability
- Ground and surface water
- Natural resources
- Health, safety, welfare or property of the general public

On occasion, the underground production crews encounter rock structures that delay or hinder our mining plan. A large rock roll was encountered in the U50 mining panel and this panel was temporarily abandoned. Mining in U-50 will likely be resumed after further investigation is completed.



7c. 3 Year Mining Plan

Attached are maps depicting the current and proposed mining for the next three years.

- Attachment 1A – 3 Year Mine Plan for the Northern Region
- Attachment 1B – 3 Year Mine Plan for the Southern Region
- Attachment 1C – Large Mine map showing current extent of mining and three year mining plan

The Cayuga Mine is currently operating in two different sections of the mine. There is one development crew that is mining south (S-3) along the west shoreline of Cayuga Lake. The rest of the mining is located in the northern region of the mine where development crews will continue to mine north (NW-2) and production crews will mine panels (U-51, U-53, U-52) to the east and west.

7d. Summary of In-situ Measurements of Rock Mechanics:

The Cayuga Mine continues to collect mine convergence data in accordance with the guidelines previously established in the Mined Land Use Plan. Convergence locations are typically installed at the “face” of active tunnels in mining panels with a profile of three stations located in the center and edges of the panel. The convergence stations are usually read daily during the first week and then dropped to a weekly schedule until the next profile is installed. The initial profile will then be monitored on a monthly or

quarterly schedule for the duration of mining of the panel. After abandonment of the panel, the convergence stations are monitored quarterly and annually. Currently, there are approximately 125 quarterly and 375 annual convergence stations being monitored. Once all of the data from the annual convergence stations have been collected it is evaluated both internally and externally for trends to ensure that the each panel and the mine is behaving properly.

Evaluation of weekly, quarterly, and annual convergence data indicate that no unusual trends have been identified and the mine is behaving as expected.

All applicable electronic data and maps will be forwarded to J.T. Boyd for review by January 31st, 2005.

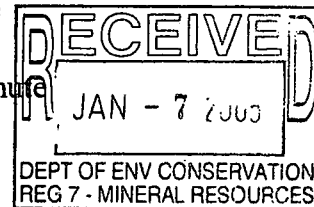
7e. Summary of Subsidence Monitoring:

Surface subsidence measurements continue to be performed in accordance with the Mined Land Use Plan. Stockwin-Surveying performed a survey in October near the Township of Lansing above abandoned workings on 4-level and 6-level. The results of the survey indicate no detectable subsidence and the survey data will be forwarded to J.T. Boyd for review.

7f. Source and Volume of Water Inflow Into the Mine and Disposition of Such Water:

The following is a list of sources and associated flow rates of water into the Cayuga Mine:

- Production Shaft (#1 shaft) – 11 gallons per minute
- Ventilation Shaft (#2 shaft) – 6 gallons per minute
- ED Plant Concentrate discharge – 2 gallons per minute
- Storm Water Run-off – 18 gallons per minute
- Total Water Inflow = 37 gallons per minute



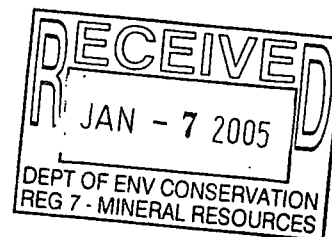
All of the water is directed to a settling pond located on the 4-level of the mine. The water is then pumped from the settling pond to abandoned areas on 4-level. The settling pond area (inspected by Vincent Scovazzo and Steve Army in August) was again inspected on December 2nd and no significant increase in water level was noted. Recent volume calculations indicated that at our current rate we have approximately 15 years of disposal life remaining on 4-level. Action plans are in place to significantly reduce the inflow into the mine over the next 3 years.

7g. Summary of SPDES Monitoring Data:

The following is a summary of the past year's outfall results (November 2003-2004) and waste water treatment plant results (November 2003-2004). All outfall exceedances are reported to the DEC in two ways. Once an exceedance event has been identified the DEC is informed via telephone of the occurrence. Each event is also captured in the monthly Report of Non-Compliance, which also lists corrective action taken.

Outfall Results for Nov. 2003 - Nov. 2004

Note: All Permit Exceedances are Highlighted In Red



CHLORIDES

Permit Limit	OUTFALLS								
	#001	#002	#003	#004	#005	#006	#007	#008	#012
	40,000 mg/l	10,000 mg/l	10,000 mg/l	5,000 mg/l	5,000 mg/l	5,000 mg/l	5,000 mg/l	5,000 mg/l	5,000 mg/l
Month/Year									
Nov 2003	28,000	2,300	1100			1,300	340	NF	890
Dec	9,600	5,200	3,000	24000	NF	2,100	410	NF	4,900
Jan 2004	11,000	2,900	2,800			2,600	720	NF	2,400
Feb.	39,000	8,100	7,500			3,500	NF	NF	NF
March	17,000	3,600	2,300	24,000	NF	4,500	1,100	NF	1,100
April	10,000	1,900	1,300			3,400	460	NF	200
May	18,000	1,400	960			1,800	310	NF	890
June	14,000	1,300	1,100	4,800	NF	1,700	350	NF	1,800
July	20,000	1,100	1,100			NF	460	NF	4,200
August	14,000	2,300	2,400			2,700	1,700	NF	3,000
Sept	9,800	1,000	1,000	5,800		1,300	290	NF	710
Oct	30,000	20,000	1,400			490	420	NF	2,200
Nov	28,000	2,500	1,500			1,000	480	NF	810

NF = NO FLOW

Note: 2nd number is average of samples taken because of first number

WAD CYANIDE

Permit Limit	OUTFALLS								
	#001	#002	#003	#004	#005	#006	#007	#008	#012
	1.1 mg/l	0.1 mg/l	0.1 mg/l	0.1 mg/l	0.1 mg/l	0.1 mg/l	0.1 mg/l	0.1 mg/l	0.1 mg/l
Month/Year									
Nov	0.2	0.01	0.01			0.01	0.01	NF	0.01
Dec	0.09	<.01	<.01	0.1	NF	<.01	<.01	NF	<.01
Jan. 2004	0.02	0.01	0.01			0.01	0.01	NF	0.01
Feb.	0.07	0.01	0.01			0.01	NF	NF	NF
March	0.05	<.01	<.01	0.3	NF	<.01	<.01	NF	<.01
April	0.06	<.01	<.01			<.01	<.01	NF	<.01
May	0.36	0.01	0.01			0.01	0.01	NF	0.01
June	0.12	0.01	<.01	<.01	NF	<.01	<.01	NF	<.01
July	0.44	0.02	<.01			NF	<.01	NF	<.01
August	0.33	<.01	<.01			<.01	<.01	NF	<.01
Sept	0.08	<.01	<.01	0.035		<.01	<.01	NF	<.01
Oct	0.93	0.67	<.01			<.01	<.01	NF	<.01
Nov	0.57	0.66	<.01			<.01	<.01	NF	<.01

NF = NO FLOW

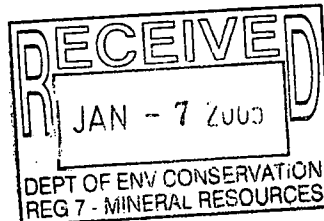
ZINC

Outfall #001

Permit Limit 20mg/l **Permit Limit Effective in Feb.2003**

Month/Year

Nov	3
Dec	0
Jan 2004	<1
Feb.	0.85
March	0.11
April	0.14
May	0.05
June	0.11
July	0.042
August	<0.1
Sept	0.019
Oct	0.087
Nov	0.66



Total Dissolved Solids

OUTFALLS

	#001	#002	#003	#004	#005	#006	#007	#008	#012
Permit Limit	80,000 mg/l	40,000 mg/l	40,000 mg/l	10,000 mg/l	10,000 mg/l	10,000 mg/l	10,000 mg/l	10,000 mg/l	10,000 mg/l
Month/Year									
Nov	47000	5400	2800			2700	1200	NF	2200
Dec	18,000	9,700	5800	41000	NF	4,000	1100	NF	4,900
Jan. 2004	19,000	6,300	6,000			6,300	1,900	NF	4,900
Feb.	67,000	14,000	13,000			6,600	NF	NF	NF
March	30,000	6,900	4,800	36000	NF	8,400	2100	NF	2400
April	18,000	4,300	3,700			6,100	1,200	NF	2,500
May	30,000	3,800	3,000			3,800	1,300	NF	1,700
June	25,000	3,400	3,000	8600	NF	3,600	1,300	NF	3,600
July	34,000	3,200	3,200			NF	1,900	NF	7,200
August	25,000	5,000	5,100			5,500	3,800	NF	5,600
Sept	20,000	3,200	3,200	10000	NF	3,300	980	NF	1,900
Oct	53,000	32,000	3,700			1,400	1,300	NF	4,200
Nov	49,000	4,400	3,800			2,300	1,300	NF	2,200

NF = NO FLOW

Outfall Results Continued:

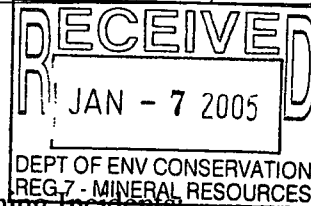
WWTP. #009

Nov. '03 - Nov. '04

	Flow Rate	BOD		PH		Tot. Susp. Solids		Settleable	Total Resid.	Fecal Coliform	
		Ave.	Max.	Min.	Max.	Ave.	Max.	Solids	Chlorine	# Per 100 ml	
		30 Day	7 Day Ave			30 Day	7 Day Ave	Daily Max.	Max. Daily Ave.	30 Day	7 Day Ave
Permit Limit		30	45	6.0	9.0	30	45	0.3 mg/l	1.0 mg/l		
Nov	1143	5.0	5.0	6.6	7.6	6.0	6.0	<0.1	0.8	3.0	3.0
Dec	997	3.3	3.3	6.5	7.1	23.0	23.0	<0.1	0.6	1.0	1.0
Jan. 2004	1173	1.4	1.4	6.7	7.6	22.0	22.0	<0.1	0.5	55.0	55.0
Feb.	1114	33.0	37.0	7.1	7.6	32.0	39.0	<0.1	0.7	255.0	255.0
March	1075	22.8	22.8	6.8	7.4	19.5	19.5	<0.1	0.6	255.0	255.0
April	939	3.0	3.0	6.5	6.9	13.5	13.5	<0.1	0.7	1.0	1.0
May	851	4.8	4.8	6.2	6.9	5.5	5.5	<0.1	0.7	101.0	101.0
June	932	8.5	8.5	6.0	6.9	8.5	8.5	<0.1	0.7	255.0	255.0
July	1044	2.5	2.5	6.3	7.2	3.0	3.0	<0.1	0.6	1.0	1.0
August	994	2.4	2.4	6.4	6.9	3.0	3.0	<0.1	0.8	21.0	21.0
Sept	1165	5.4	5.4	6.4	6.8	1.5	1.5	<0.1	0.8	248.0	248.0
Oct	1080	5.4	5.4	6.4	7.2	1.5	1.5	<0.1	0.7	248.0	248.0
Nov	983	2.4	2.4	6.5	6.7	11.0	11.0	<0.1	0.7	180.0	180.0

8. Notification of Non-routine Mining Incidents:

See section 7b.



9. MSHA Correspondence Involving Non-routine Mining Incidents:

The Cayuga Mine has not received any citations from MSHA regarding non-routine mining Incidents.

10. Changes in Mining Method:

There have been no changes of mining method at the Cayuga Mine.

11. Surface Subsidence:

Surface subsidence surveys continue to be done in accordance with the Mined Land Use Plan. See section 7e of this report.

12. In-situ Rock Mechanics Measurements:

See section 7d of this report.

13. Written Citizen Complaints:

There have been no written citizen complaints received by Cargill concerning the Cayuga Mine.

From: Origin ID: (607)533-4221
Cathy Pulnam
CARGILL DEICING TECHNOLOGY
191 PORTLAND POINT
PO BOX B
LANSING, NY 14882



CLS09140405/06

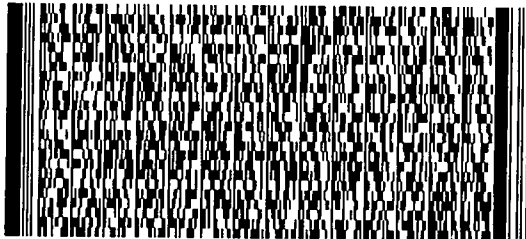
SHIP TO: (315)426-7461 BILL SENDER
Joseph Moskiewicz, Jr. Mineral Reso
NYS Dept of Environmental Conservat
Div of Mineral Resources, Region 7
615 Erie Boulevard West
Syracuse, NY 132042400

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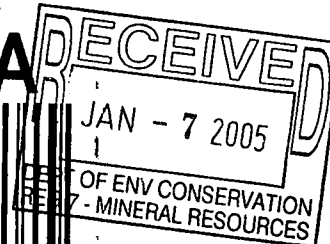
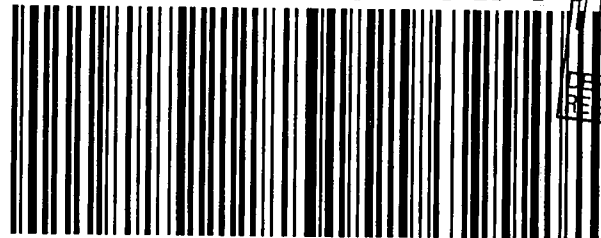
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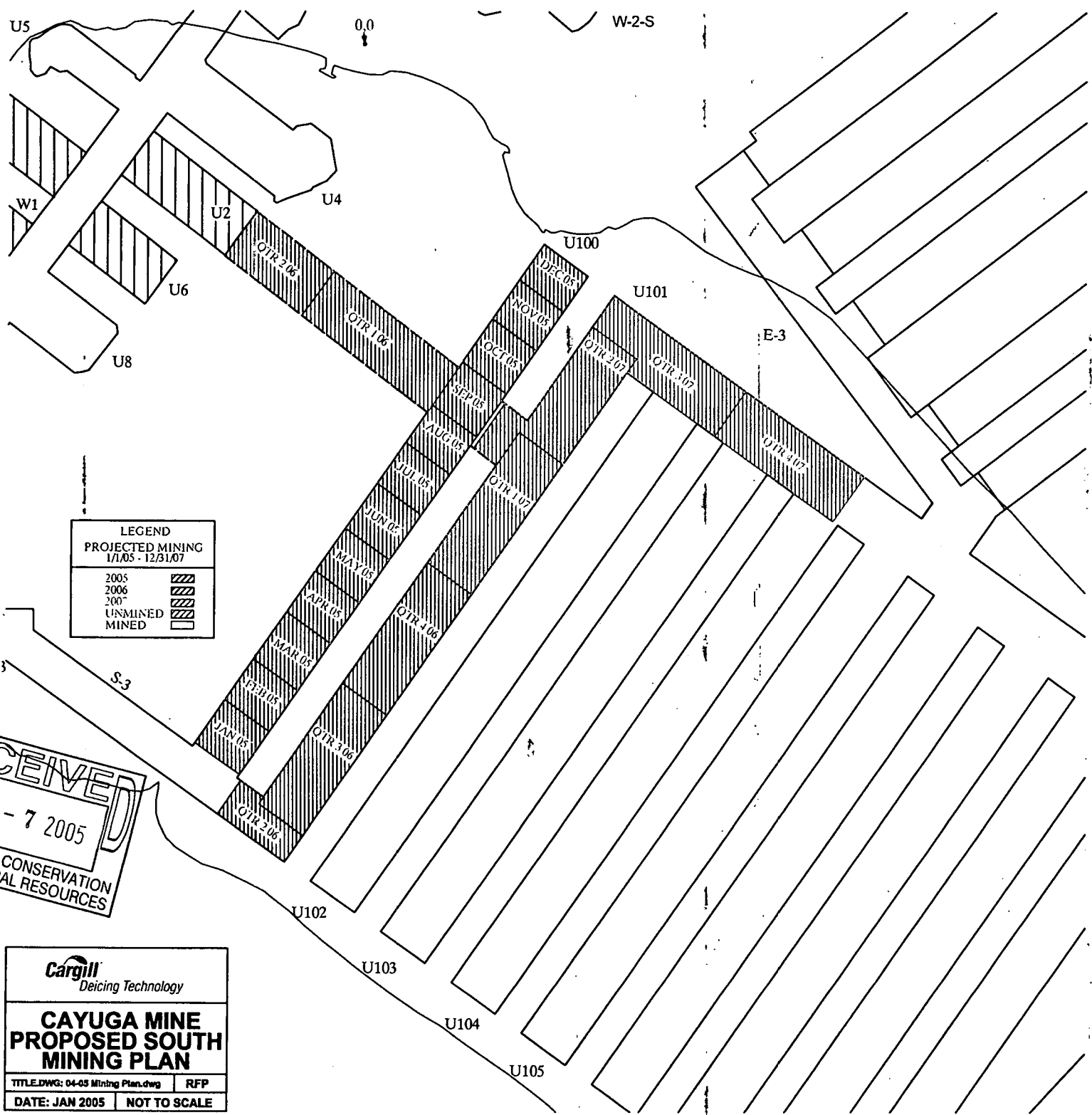
13 LKPA

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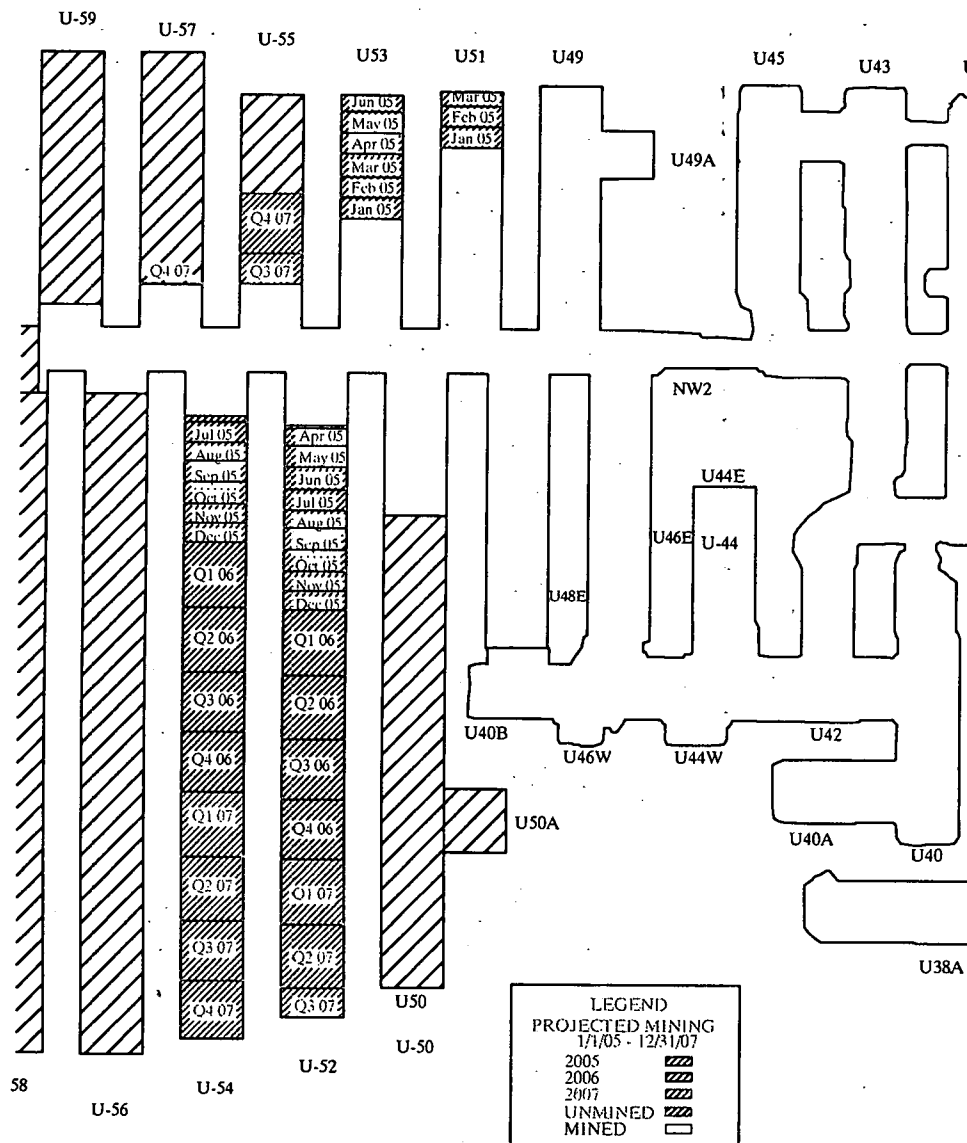
Cargill
Deicing Technology

**CAYUGA MINE
PROPOSED SOUTH
MINING PLAN**

TITLE.DWG: 04-05 Mining Plan.dwg RFP

DATE: JAN 2005 NOT TO SCALE

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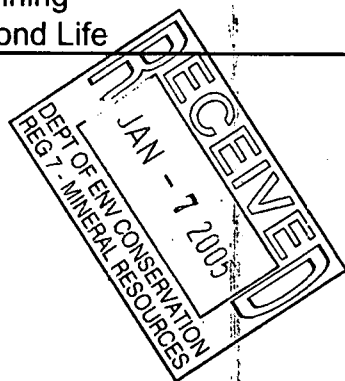


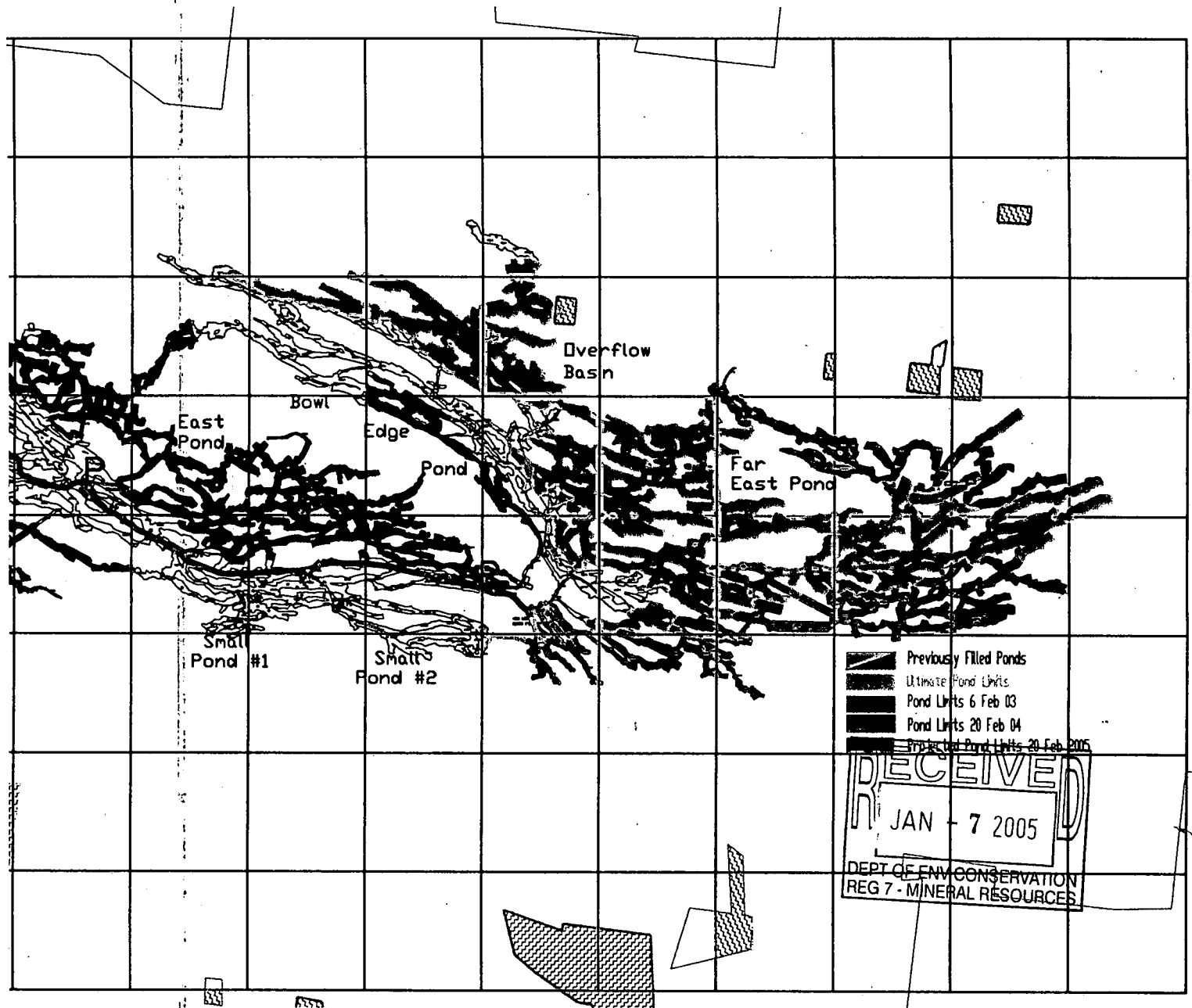
Cargill
 Deicing Technology

**CAYUGA MINE
 PROPOSED NORTH
 MINING PLAN**

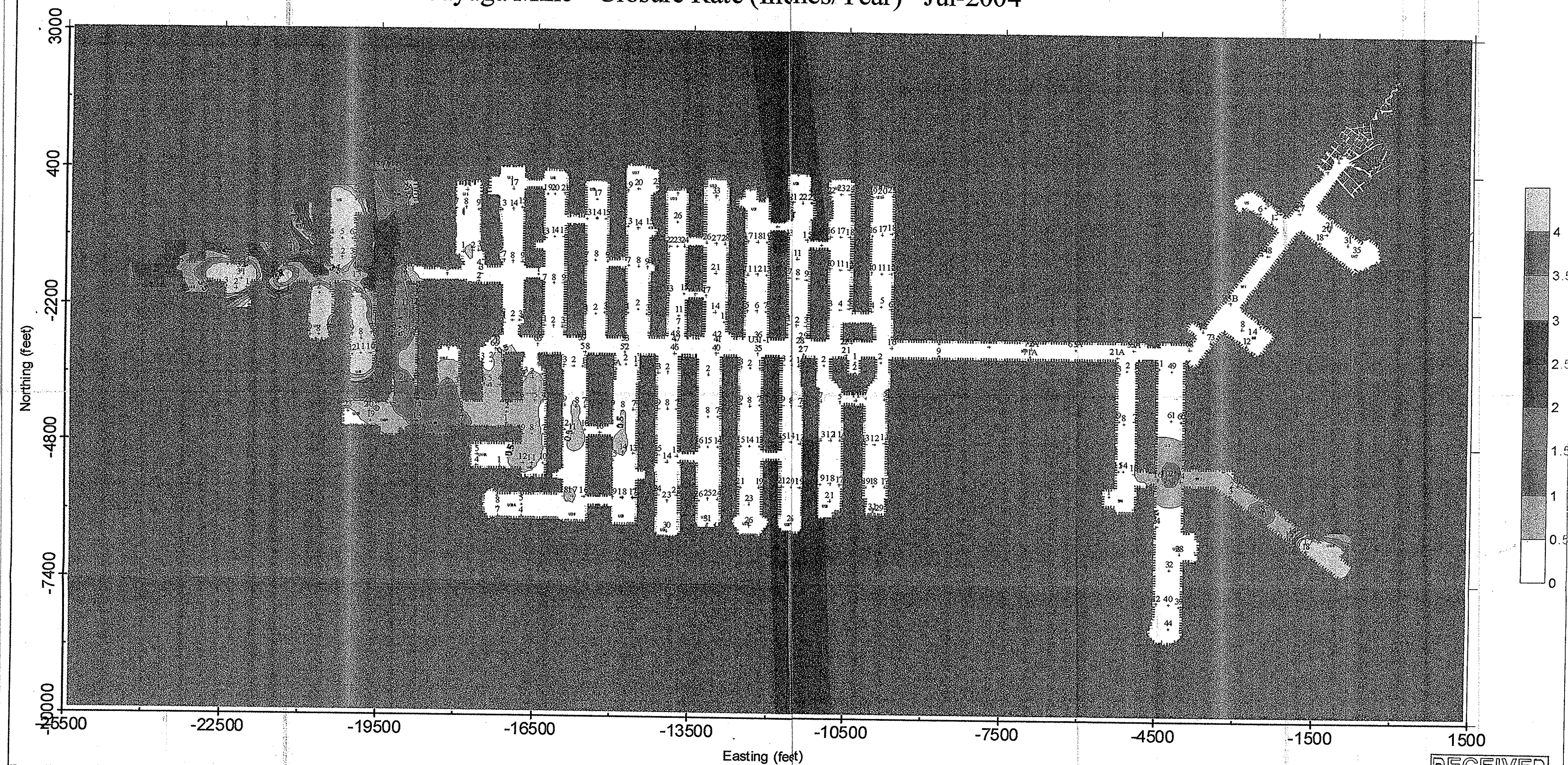
TITLE: DWD: 04-05 Mining Planning RFP
 DATE: JAN 2005 NOT TO SCALE

Water Volume Calculation Ultimate Pond Potential Volume 1-Jan-05						
Area	Total Area	Pillar Area	Fillable Area Ft2	Roof Height	Volume	Gallons
Small Basin	114,990	2,378	112,612	7	788,284	5,896,364
East Basin	5,064,263	2,151,855	2,912,408	12	34,948,896	261,417,742
Overflow Basin	832,312	81,972	750,340	10	7,503,400	56,125,432
Total Gallons						323,439,538
Incoming gallons per year @ 40gpm						21,024,000
Ultimate Pond Life (yrs) as of 6 Feb2001						15
Water added = 46 months / 12 X 21,024,000						80,592,000
Volume remaining						242,847,538
Remaining Pond Life						12





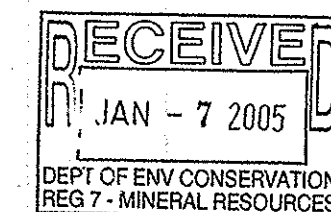
Cayuga Mine Closure Rate (Inches/Year) Jul-2004



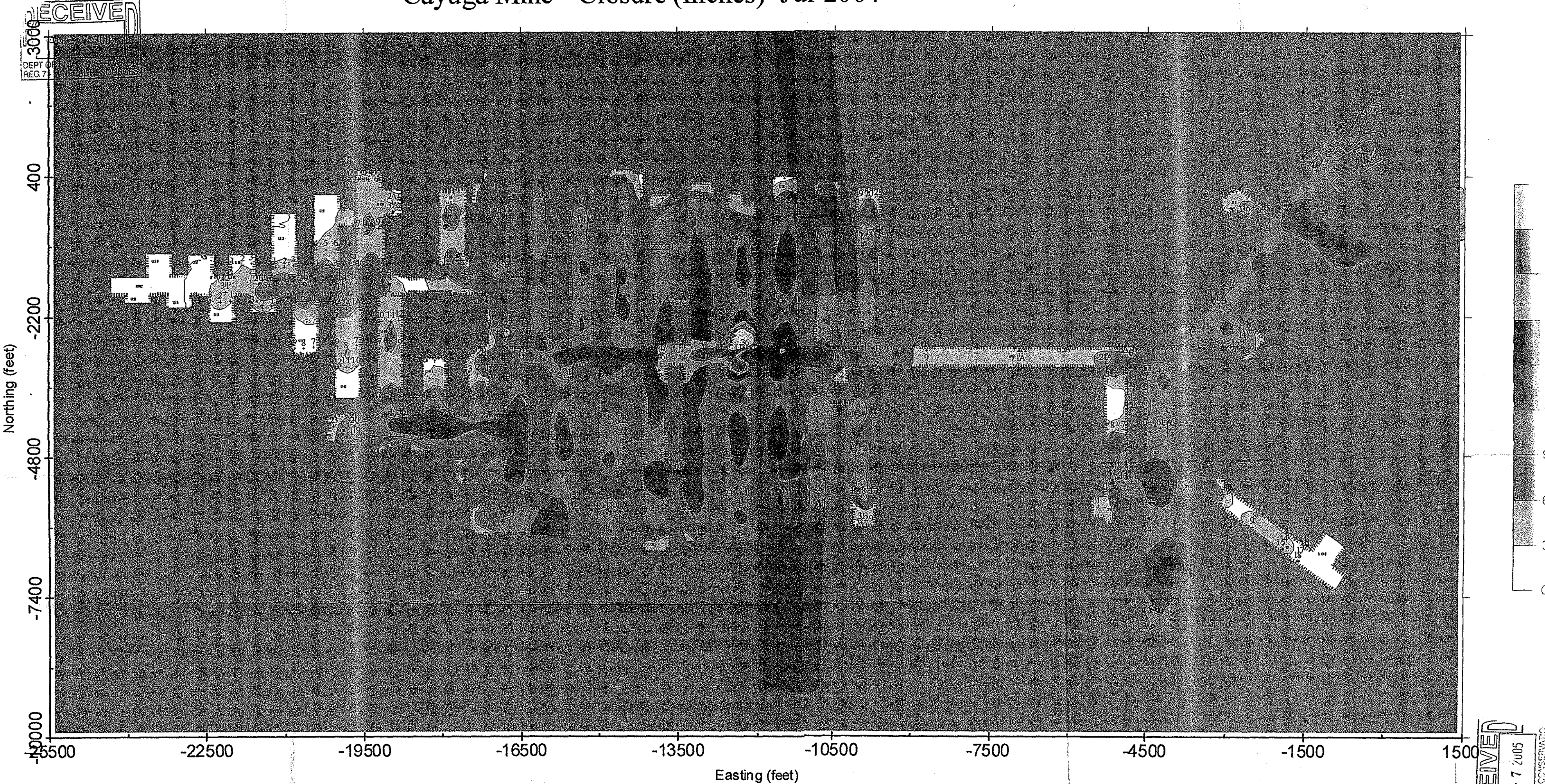
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Notes

Data has been adjusted due to up-date by MAB & PEY



Cayuga Mine Closure (Inches) Jul-2004



Data From File: Surfer-Export_Closure_Jul-2004.dat

Notes

Data has been adjusted due to up-date by MAB & PEY

