

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
(CORPUS CHRISTI DIVISION)**

In re:)	Case No. 05-21207
)	
ASARCO LLC, et al.,)	Chapter 11
)	
Debtors.)	(Jointly Administered)
)	

**SUPPLEMENTAL OBJECTION OF COLORADO SCHOOL OF MINES TO ASARCO
LLC'S MOTION TO ESTIMATE ENVIRONMENTAL LIABILITIES**

Colorado School of Mines ("School") objects to ASARCO LLC's ("ASARCO" or "Debtor") Motion to Estimate Environmental Liabilities and for Implementation of Procedures for the Handling of Omnibus Objections to Environmental Claims (the "Motion") filed on January 30, 2007. In support of its objection, the School states as follows:

1. This objection supplements the School's initial objection filed on February 23, 2007. In its initial objection, the School objected to ASARCO's Motion because the proposed procedures will waste financial and Court resources, apply a one-size-fits-all procedure to a hundred different environmental claims, and will result in the delay of administration of the plan of reorganization. The School recommended confidential mediation prior to entering into any estimation proceeding, and estimation of the larger sites first so that a plan of reorganization may be developed and approved.

2. At the February 16 status conference, the Court expressed its desire for mediation before formal estimation. Since the status conference, discussions between Debtors and some creditors indicate that the parties may be able to agree on some procedures that meet the School's

requests. In the event that the parties may not reach agreement, the School supplements its initial objection as follows.

Estimation Procedures For Large Sites Should Not Bind Parties For Subsequent Procedures For Small Sites

3. Although the School's approximately \$7 million claim against Debtors is substantial for the School, it is relatively small to other sites. Estimation procedures for the large sites should not bind the parties for smaller sites, which will be subsequently estimated. The circumstances are likely different between large sites and small sites. Therefore, procedures for large sites should not bind smaller site claims that get estimated after the large site claims are estimated.

4. Notwithstanding the above, the sole exception should be to specify that any mediation communications between any creditor and Debtors, including creditors for small sites, are confidential, non-discoverable, and inadmissible.

Mediation Should Be Confidential, Non-Discoverable, and Inadmissible

5. Mediation communications (oral and written) and documents should be ordered to be confidential, non-discoverable, and inadmissible in any proceeding for any purpose. This is consistent with traditional mediation practices and eliminates any uncertainty for the mediating parties, which will promote candor and settlement. This should apply now to all creditors in this bankruptcy proceeding, even if their site is small. This will help resolve all claims and expedite a plan of reorganization.

Third Party Participation in Estimation Hearings Should Not Be Allowed

6. The School claims the approximately \$7 million in cleanup costs that it incurred. Yet, various other persons, who have not incurred their own costs at the CSMRI Site, have filed proof of

claim forms in this bankruptcy action on the contingent basis that the School may sue them one day in the future for cost recovery. Those persons have not incurred any costs, they do not have valid claims, and they should not be allowed to participate in the estimation hearing related to the CSMRI Site. Even if some persons had incurred their own costs, which is highly unlikely, their issues are likely to be very different than the School's because the School is the entity cleaning up the CSMRI Site. Therefore, participation by other creditors for the CSMRI Site in the estimation hearing for the School would only slow down and complicate a procedure that is supposed to be streamlined and expedited. Other parties with valid claims can have their own separate estimation hearings.

Debtors Must First File Legal and Factual Objections

7. The School agrees with the other parties who have stated that Debtors should first file their specific legal and factual bases for objecting to the claims. Not only is this required irrespective of claim estimation, but it will also help streamline the estimation process by focusing the parties' and the Court's attention on the disputed material issues and facilitating early stipulations. For example, it will focus the parties on what experts are needed. Because environmental cases may potentially have numerous technical issues, and thus numerous experts could be identified, Debtors' early identification of disputed issues will reduce the number of experts needed. Thus, Debtors should first file specific factual and legal objections to each claim.

Conclusion

8. The School hopes to agree to estimation procedures with Debtors and other interested parties. In the event the parties cannot agree, the estimation procedures for large sites should not bind the parties to the smaller sites that are estimated afterwards. Mediation should be confidential, non-discoverable, and inadmissible for any purpose. Third party creditors should not be allowed to

participate in the estimation hearing for the CSMRI Site. And, Debtors should first file their specific legal and factual bases for objecting to the claims.

RESPECTFULLY submitted this 9th day of March, 2007.

BERG HILL GREENLEAF & RUSCITTI LLP



/s/ Asimakis (Maki) P. Iatridis

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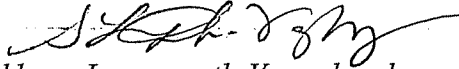
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CERTIFICATE OF SERVICE

I certify that, on March 9, 2007 a true copy of the foregoing **SUPPLEMENTAL OBJECTION OF COLORADO SCHOOL OF MINES TO ASARCO LLC'S MOTION TO ESTIMATE ENVIRONMENTAL LIABILITIES** was served on all parties on the service list entitled to notice through the Court's electronic filing system.



/s/ Sakhone Louangrath-Vongphandy

Sakhone Louangrath-Vongphandy