



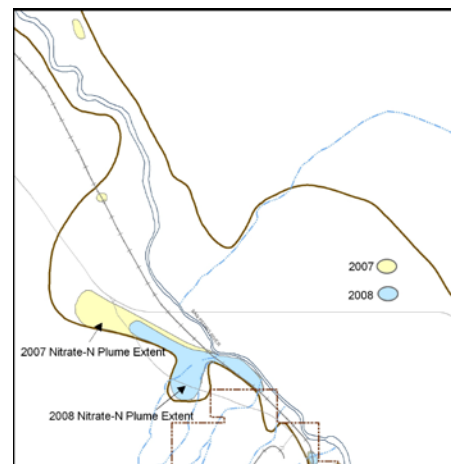
Superfund activities at the Apache Nitrogen Products site are divided into 3 separate areas. The Northern Area Groundwater is shallow groundwater contaminated with nitrates north of the Apache property. The Southern Area Groundwater is perched and shallow groundwater contaminated with nitrates and perchlorate primarily beneath Apache property near the entrance to the plant. The third component is the Soils in several ponds historically used for disposal of wastewater.

EPA issued the Preliminary Closeout Report on September 26, 2008 confirming that the Northern Area Groundwater, Southern Area Groundwater and Soils are now in routine operation and maintenance. Routine reports will include Weekly Wetland Reports, Quarterly Groundwater Monitoring Reports, an Annual Performance Monitoring Report covering all groundwater and soils remedies and an Annual Soils Inspection Report required by the DEUR.

Northern Area Groundwater

The wetlands continue to perform beyond expectations with treatment of nitrates occurring year-round. The nitrate concentrations in the extraction well, SEW-1, continue to decrease. The concentrations in the first quarter were consistently below 60 ppm compared to a high of nearly 400 ppm in 2004. MW-36, which was over 600 ppm when installed, was 150 ppm in February 2009. Following are some performance measures for the Northern Area in 2008:

- Removal of 62,527,020 gallons of contaminated groundwater
- Removal of 35,181 pounds of nitrate-N mass
- Extraction well operated 353 days
- Nitrate-N concentrations at SEW-1 declined below 80 mg/l
- Nitrate-N concentrations in most shallow aquifer wells show declining trends
- Extent of nitrates in excess of the drinking water standard of 10 mg/l has been reduced dramatically



Southern Area Groundwater

In the Southern Area, nitrates and perchlorate concentrations are declining in areal extent. Most of the contamination is limited to Apache's property. EPA has selected monitored natural attenuation as the remedy.

Apache will be issuing Apache Updates twice a year to keep you informed of the progress we are making on our Superfund remediation and other environmental and safety topics.

For more information, please feel free to contact Pamela Beilke at 720-2114 or pbeilke@apachenitro.com

Nitrate reduces the ability of red blood cells to carry oxygen. In most adults and children these red blood cells rapidly return to normal if nitrate consumption is sufficiently reduced or eliminated entirely. However, in infants it can take much longer for the blood cells to return to normal. Infants who drink water with high levels of nitrate (or eat foods made with nitrate-contaminated water) may develop a serious health condition due to the lack of oxygen. For further information see <http://www.epa.gov/safewater/dwh/c-ioc/nitrates.html>.

Inactive Ponds

The annual inspection of the ponds required by the DEUR and EPA was conducted in December. Some minor erosion was identified and repairs were made before the final report was completed.


Remediation will continue until the shallow aquifer is restored to drinking water quality; estimated to be 15-20 years.

Quarterly monitoring reports are posted on our website www.apachenitro.com.



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