

## FACT SHEET

(Pursuant to Nevada Administrative Code [NAC] 445A.401)

Permittee Name: **Progressive Contracting Inc.**

Project Name: **Fish Creek Mine**

Permit Number: **NEV2013105 (new 2013)**

### **A. Location and General Description**

The facility is located on private land in Elko County, Nevada, within Sections 3 and 10, Township 35 North, Range 52 East, Mount Diablo Baseline and Meridian (MDB&M), approximately 13 air miles north of the town of Carlin, Nevada.

The Fish Creek Mine is an open pit mining facility operated for the purpose of extracting barite ore for off-site processing at a separately permitted facility (Maggie Creek Plant NEV2012111). No beneficiation or processing of the ore is permitted at the site. No chemicals are permitted to be used or stored at the facility. The Fish Creek Mine is permitted as a physical separation facility pursuant to NAC 445A.414. The facility is required to be designed, constructed and must be operated and closed without any discharge or release in excess of those standards established in regulation except for meteorological events which exceed the design storm event.

### **B. Synopsis**

Mining activity at the facility includes open pit mining from two (2) main areas – the North Site and the South Site. In each area, overburden and waste rock will be removed and stockpiled near each pit for later use during reclamation of the site. The North Site pit will cover approximately 15 acres while the South Site pit will cover approximately 12 acres. Ore extraction for off-site processing is limited by the Permit to 125,000 tons per year.

Excavated ore will be loaded into haul trucks and transported approximately four (4) miles to the Maggie Creek Plant. Waste rock and overburden will be stockpiled near the excavated area to be used later in the reclamation stage. Analytical results (Meteoric Water Mobility Procedure - MWMP) of ore and waste rock leachate did not show any exceedances of the Profile I reference values except for manganese at 0.63 milligrams per liter. Static acid/base accounting resulted in a ratio of acid neutralizing potential to acid generating potential of 0.35. For this reason a humidity cell test was run on the same

material to evaluate the potential to generate acid. After 20 weeks, the pH was stable at approximately 6.6 standard units, and all Profile I parameters were within their respective reference values, suggesting that acid generation or leaching of metals will not be an issue for this material. Routine waste rock and ore characterization will continue on a quarterly basis according to the Permit requirements.

After mining is complete, the stockpiled overburden and waste rock will be used to backfill and regrade the pit areas. In addition, tailings solids from the process plant, if approved in writing by the Division based on MWMP-Profile I and acid base accounting results, may be used as additional backfill material.

All excavation and transport vehicles will be secured when not in use. Fuel and lubricants for the vehicles will be brought to the site only as needed, with no storage at the mine. Any spill of petroleum products will be contained, and contaminated material secured in appropriate containers and transported to an authorized disposal facility.

#### **C. Receiving Water Characteristics**

The Fish Creek Mine North Site is located at an elevation of approximately 6,400 feet above mean sea level (ft amsl), and the South Site at approximately 6,100 ft amsl. Exploration boreholes in the North Site area were advanced as deep as 400 feet below ground surface (ft bgs) without encountering water. Depth of barite deposits in the North Site area were a maximum of 85 ft bgs. Based on this information, the North Site open pit is not expected to intercept groundwater. If groundwater were to be encountered unexpectedly, the Permittee is required by the Permit to suspend operations and notify the Division immediately (see Schedule of Compliance Item I.B.2).

Exploration borehole data were not available for the South Site. The Permittee is required by the Permit to verify depth to water in this area prior to initiating mining by drilling at least 50 ft below the maximum anticipated depth of the pit (see Schedule of Compliance Item I.B.3).

Each pit will be bounded by perimeter ditches and berms to direct storm runoff around the excavated area. Two stormwater retention ponds at each site will collect this runoff and allow sediments to settle. The water will then be used for dust suppression around the site or be allowed to evaporate.

#### **D. Procedures for Public Comment**

The Notice of the Division's intent to issue a Permit authorizing the facility to construct, operate and close, subject to the conditions within the Permit, is being sent to the Elko Daily Free Press for publication. The Notice is being mailed to

interested persons on the Bureau of Mining Regulation and Reclamation mailing list. Anyone wishing to comment on the proposed Permit can do so in writing within a period of 30 days following the date of public notice. The comment period can be extended at the discretion of the Administrator. All written comments received during the comment period will be retained and considered in the final determination.

A public hearing on the proposed determination can be requested by the applicant, any affected State, any affected intrastate agency, or any interested agency, person or group of persons. The request must be filed within the comment period and must indicate the interest of the person filing the request and the reasons why a hearing is warranted.

Any public hearing determined by the Administrator to be held must be conducted in the geographical area of the proposed discharge or any other area the Administrator determines to be appropriate. All public hearings must be conducted in accordance with NAC 445A.403 through NAC 445A.406.

**E. Proposed Determination**

The Division has made the tentative determination to issue the Permit.

**F. Proposed Effluent Limitations, Schedule of Compliance, Special Conditions**

See Section I of the Permit.

**G. Rationale for Permit Requirements**

The facility is located in an area where annual evaporation is greater than annual precipitation. Therefore, it must operate under a standard of performance which authorizes no discharge(s) except for those accumulations resulting from a storm event beyond that required by design for containment.

The primary method for identification of escaping solution will be placed on required routine inspections of stormwater diversion berms and the open pit mine area. Specific monitoring requirements can be found in the Water Pollution Control Permit.

**H. Federal Migratory Bird Treaty Act**

Under the Federal Migratory Bird Treaty Act, 16 U.S.C. 701-718, it is unlawful to kill migratory birds without license or permit, and no permits are issued to take migratory birds using toxic ponds. The Federal list of migratory birds (50 Code of Federal Regulations 10, 15 April 1985) includes nearly every bird species found in the State of Nevada. The U.S. Fish and Wildlife Service is authorized to

enforce the prevention of migratory bird mortalities at ponds and tailings impoundments. Compliance with State permits may not be adequate to ensure protection of migratory birds for compliance with provisions of Federal statutes to protect wildlife.

Open waters attract migratory waterfowl and other avian species. High mortality rates of birds have resulted from contact with toxic ponds at operations utilizing toxic substances. The Service is aware of two approaches that are available to prevent migratory bird mortality: 1) physical isolation of toxic water bodies through barriers (e.g. covering with netting), and 2) chemical detoxification. These approaches may be facilitated by minimizing the extent of the toxic water. Methods which attempt to make uncovered ponds unattractive to wildlife are not always effective. Contact the U.S. Fish and Wildlife Service at 1340 Financial Boulevard, Suite 234, Reno, Nevada 89502-7147, (775) 861-6300, for additional information.

Prepared by: Paul Eckert

Date: September 2013

Revision: New Permit 2013