



STATE OF NEVADA

Department of Conservation & Natural Resources

DIVISION OF ENVIRONMENTAL PROTECTION

Jim Gibbons, Governor

Allen Biaggi, Director

Leo M. Drozdoff, P.E., Administrator

Web posting 4/27/10

Notice of Final Decision

Permit #0303

Newmont Mining Corporation

Sandman Exploration Project

The Nevada Division of Environmental Protection (NDEP) has decided to issue Reclamation Permit, No. 0303, for an exploration project to Newmont USA Limited, doing business in Nevada as Newmont Mining Corporation (NMC). This permit authorizes Newmont Mining Corporation to reclaim the Sandman Exploration Project. This Project is located in Humboldt County, Nevada. The Division has been provided with an application, in accordance with Nevada Revised Statute (NRS) and Nevada Administrative Code (NAC) 519A to assure the Division that NMC will leave the project site safe, stable, and capable of providing for a productive post-mining land use.

This permit will become final May 8, 2010. The final determination of the Administrator may be appealed to the State Environmental Commission pursuant to NAC 519A.415. The appeal must be filed by May 7, 2010 and in accordance with Administrative rules of the Environmental Commission.

NAC 519A.415 Appeals to commission.

1. Any person aggrieved by:
 - (a) The issuance, denial, renewal, suspension, modification, condition or revocation of a permit; or
 - (b) The issuance, modification or rescission of any other order,
by the state department of conservation and natural resources may appeal to the commission.
2. Any person who requests a hearing before the commission concerning a final decision of the department pursuant to [chapter 519A of NRS](#) may do so by filing a request, within 10 days after notice of the action of the department, on form 3* with the State Environmental Commission, 901 S. Stewart St. Ste. 4001, Carson City, Nevada 89701.
3. The provisions of [NAC 445B.875](#) to [445B.899](#), inclusive, apply to a hearing of the state environmental commission requested pursuant to subsection 1.
4. The commission will affirm, modify or reverse any action of the department, which is appealed to it.

*(See adopting agency for form.)

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The following comments were received from Mr. John McCullough via e-mail on April 18, 2010.

Comment 1. "I write to express my concerns to you that the Administrator has already made the tentative decision to grant this permit which suggests to me that this procedure is far from fair and impartial and does not appear to protect the rights of landowners or protect the environment" "I am the owner of Lot 1, Section 13, T.37N, R.35E and I want to register my objection to this application for Permit 303". . "By granting this permit I feel that you and the mining company would be depriving me of the amenity, facility, access and enjoyment of my land. Please advise me of NDEP's and the mining company's indemnity in regard to the destruction of vegetation, wildlife habitat, soil structure and aspect of my land....".

Response: The Nevada Revised Statutes at NRS 519A.010 states that proper reclamation of mined land (exploration and mining) is necessary to prevent undesirable land and surface water conditions. Because of this legislative finding, regulations were developed to ensure that reclamation activities will occur that results in a productive post-mining use of the land. This is achieved through the applicant of an exploration project submitting a reclamation permit application which includes a reclamation plan and supporting reclamation cost estimate. The application is reviewed by NDEP for consistency with the NAC 519A.010 - .415 regulations. NDEP has reviewed the Sandman Exploration Project permit application and has determined that the proposed reclamation plan will reclaim the exploration roads, drill sites, trenches and other associated disturbance to ensure a productive land use. NDEP has made the tentative decision to approve the application and issue a permit. NAC 519A.185 requires NDEP to circulate a public notice of intent to issue a draft permit or deny the application. The notification is provided to interested persons including the operator, landowner(s), and county commissioners.

In applying for a reclamation permit the applicant must submit a technically adequate reclamation plan to reclaim the proposed disturbance authorized by the permit. In this case, NMC proposes to reshape/ contour, and revegetate the exploration roads, drill pads, trenches, and abandon the drill holes as per the approved reclamation plan. The reclamation permit and surety are the regulatory mechanism that ensures that the reclamation will be completed. If the operator does not reclaim the land, the designated reclamation bond can be used by NDEP to reclaim the land.

Comment 2. "Please advise me also regarding who is liable for the payment of compensation in respect to all of the above.

Response: Payment of compensation is beyond the purview of the NAC 519A reclamation regulations. In discussions with NMC, it is our understanding that you purchased Lot 1, Section 13, T37N., R35E under the Final Map of Division Into Large Parcels for Scott H. Wiggington. That map, a document recorded at the office of the Humboldt County Recorder, contains a statement of the rights and obligations of NMC as the holder of the mineral and mining rights in Section 13. NDEP further understands that through the Mineral Lease No. SPL - 6688, registered at the Humboldt County Recorder's Office, NMC, the lessee, has the right to use the surface of the property in question for the purpose of exploring for minerals. While NMC's Reclamation Permit only allows for the exploration of minerals, we further understand that the NMC lease specifically allows "for the purpose of exploring for, developing, mining, recovering, processing, transporting and

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otherwise using, enjoying and exploiting minerals and to use so much of the surface of the property as needed for mining, construction of plants, or machinery or other structures incidental to mining and storage of waste or other material resulting from the normal and customary use of the property for mining purposes and the right to use water developed by the lessee on the property."

It is NDEP's experience that NMC is available to discuss the matters raised in your letter, and the following contact information is provided for your convenience:

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