



STATE OF NEVADA

Department of Conservation & Natural Resources

DIVISION OF ENVIRONMENTAL PROTECTION

Brian Sandoval, Governor

Leo M. Drozdoff, P.E., Director

Colleen Cripps, Ph.D., Administrator

Web posting 1/24/2011

Notice of Decision

Permit #NEV2010103

Global Exploration Services Ltd.

Winnemucca Lake Project

The Nevada Division of Environmental Protection (Division) has decided to issue Water Pollution Control Permit NEV2010103 to Global Exploration Services Ltd. This permit authorizes the construction, operation, and closure of approved mining facilities in Pershing County. The Division has been provided with sufficient information, in accordance with Nevada Administrative Code (NAC) 445A.350 through NAC 445A.447, to assure the Division that the waters of the State will not be degraded by this operation, and that public safety and health will be protected.

The permit will become effective February 8, 2011. The final determination of the Administrator may be appealed to the State Environmental Commission pursuant to Nevada Revised Statute (NRS) 445A.605 and NAC 445A.407. All requests for appeals must be filed by 5:00 PM, February 3, 2011, on Form 3, with the State Environmental Commission, 901 South Stewart Street, Suite 4001, Carson City, Nevada 89701-5249. For more information, contact Paul Eckert at (775) 687-9401 or visit the Division's Bureau of Mining Regulation website at www.ndep.nv.gov/bmrr/bmrr01.htm.

Two comment letters were received during the public notice period. The responses to the comments contained therein are attached.

Surprise Valley Land Company, LLC, comment letter received from James Prichard, received by hand delivery on December 13, 2010.

Comment 1: (third paragraph) We are contesting Township 25 North, Range 23 East, Sections 12 and 13. This area is in Washoe County. We currently have 8 (eight), 160-acre unpatented placer mining claims that encompass the entire two sections.

Division Response: *The Permittee, in correspondence received by the Division on December 30, 2011, has confirmed that mining activity will not encroach on the Surprise Valley Land Company claims in the sections listed. As a result, these sections have been removed from*

the description of the site in both the fact sheet and the permit, and all activity covered by the permit will take place in Pershing County.

Comment 2: (tenth paragraph) If it is found that the claims situated in Pershing County meet all aspects of Federal and State mining claim location requirements and payment requirements, we would want to know how extracting water from the applicant's claims would never adversely impact the processing of material from our claims since water is not considered an extra-lateral right.

Division Response: Comment noted. The adjudication of issues relating to water rights is outside the scope of this permit and should be addressed to the Nevada Division of Water Resources. The permit requires the Permittee to obtain all other applicable permits for activities not covered by this permit, including obtaining water rights as required, and it is the understanding of the Division based on correspondence with the Permittee that they have done so.

Pyramid Lake Paiute Tribe, Environmental Department, comment letter received from Mervin Wright, Jr, received by electronic mail on December 24, 2010. Note that these comments were also discussed in a meeting held at the Division office on January 10, 2011:

Comment 3: The tribe is concerned with many water quality issues pertaining to the process water and the saturated processed ore being placed back into the trench.

Division Response: The placement of the tails solids in the trench will be preceded by dewatering in the ICON machines and then drying on the evaporation pads. Permit Item I.G.2 requires that the material meet drying criteria based on EPA Method 9095B prior to placement in the trench.

Comment 4: Disposal of the process water was not clearly defined and when the process water is evaporated the remaining metallic salts were not discussed at all.

Division Response: The permit allows two methods for disposal of process water: removal by a licensed waste hauling contractor for disposal offsite, or evaporation in the evaporation basins on the site. In the second case, residual solids would be disposed of with the tails solids when the materials meet the drying criteria of EPA Method 9095B. Discharge of process water is prohibited.

Comment 5: The results of the MWMP (*Meteoric Water Mobility Procedure*) test showed significant dissolution of metals that would be exposed to wildlife.

Division Response: Comment noted. The protection of wildlife is not directly within the purview of this permit but falls under the Nevada Department of Wildlife. The Permittee is aware of the potential exposure of wildlife to the fluids in the evaporation basins and will

take appropriate measures to prevent entry of terrestrial and avian wildlife into these areas as required.

Comment 6: The Pyramid Lake Paiute Tribe respectfully requests a Public Hearing on the Winnemucca Lake Project.

Division Response: *After the meeting of January 10, 2011 with Tribal representatives, Division representatives, and representatives of the Permittee present, the Tribal representatives stated that their concerns had been addressed satisfactorily and that a public hearing was not necessary. This was confirmed in correspondence received by the Division from the Environmental Department of the Tribe on January 14, 2011.*