



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

NOTICE OF DECISION - Bureau of Mining Regulation and Reclamation

Web Posting: 10/07/2014

Deadline for Appeal: 10/17/2014

WPC Permit No. NEV2000109

Lucerne Project (formerly Billie the Kid)

Comstock Mining LLC

The Administrator of the State of Nevada Division of Environmental Protection (the Division) has decided to renew the Water Pollution Control Permit NEV2000109 to Comstock Mining LLC. This Permit authorizes the construction, operation, and closure of approved mining facilities in Storey County, Nevada. The Division has been provided with sufficient information, in accordance with Nevada Administrative Code (NAC) 445A.350 through 445A.447, to assure 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 22 October 2014. 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, 17 October 2014, on Form 3, with the State Environmental Commission, 901 South Stewart Street, Suite 4001, Carson City, Nevada 89701-5249. For more information, contact Shawn Gooch at (775) 687-9557 or visit the Bureau of Mining Regulation and Reclamation website at www.ndep.nv.gov/bmrr/bmrr01.htm.

[A public hearing was held on September 17, 2014 which was not attended by members of the public. As such, no oral comments were received.](#)

Two written comments were received during the comment period. The commenting party, text of all comments (in some cases excerpted) and the Division responses are included below as part of this Notice of Decision.

John Hadder, Director, Great Basin Resource Watch

Written Comment 1:

“In general, Comstock Mining Inc. (CMI) needs to present a detailed groundwater analysis as part of these renewal applications. The major modification from last year gives some

groundwater information with general flow paths, but it is not sufficient to evaluate the efficacy of the groundwater monitoring at the site. GBRW does recommend that an additional monitoring well be established on the southwestern corner of the heap leach facility between the facility and American River gulch. This is needed to identify potential contamination that could impact the American River watershed. However, without detailed information it is unclear where is the best placement.”

“GBRW would like to see the Bureau of Mining Reclamation and Regulation (Bureau) require CMI to provide a monitoring well justification document containing the groundwater analysis.”

Division Response 1:

Contour maps of the local groundwater gradient demonstrate that the flow is from northwest to southeast. Adding a monitoring well to the west of the heap leach pad would only provide monitoring of upgradient groundwater which is already being provided by GMMW-1.

Written Comment 2:

“The fact sheet stated the following on page 5, “The accumulation of meteoric water in an area close to the heap leach pad was cause for concern, prompting the addition of the requirement for quarterly analysis of the water (when present). Since the first quarter of 2006, sufficient water was available for sampling only once (that same quarter) and showed exceedances of the Profile I reference values for aluminum (3.87 milligrams per liter [mg/L]) and iron (2.04 mg/L). As part of the 2009 Major Modification, this pond was filled in, regraded, and removed from the monitoring requirement list in the Permit.” GBRW did [not] see an investigation report on why the exceedance occurred. Our concern is that there is exists surface contamination that could be carried to the American River drainage.”

“GBRW would like the Bureau to require an assessment from CMI of how the exceedance occurred and the potential for future contamination of the American River drainage due to run off or infiltration.”

Division Response 2:

The location in question was referred to as the “Frog Pond” by CMI and the Division. This pond received only meteoric runoff from adjacent areas and acted as a settling basin intended to capture rain fall runoff and sediment from the adjacent road and other adjacent areas. The exceedances shown in 2006 did not indicate a process component signature but were typical of weathered volcanic geology present throughout the vicinity.

In general this issue falls under the realm of stormwater management. Stormwater management at the site is regulated by the stormwater general permit NVR300000, an NPDES permit, administered by the Division Bureau of Water Pollution Control.

**Leon Thomas, Field Manager, Bureau of Land Management
Sierra Front Field Office**

Written Comment 3:

“Under item A on the Fact Sheet, you state the "...Project is located on public and private lands..." As you are aware, the Lucerne Project consists of an on-going mining operation and heap-leach processing facility, both are located on privately-owned land held by Comstock Mining LLC. Located between these two areas is the American Flat Road, which Comstock Mining LLC holds a right-of-way with the Bureau of Land Management (BLM) (NVN-091237).”

“The BLM would like to clarify that Comstock Mining LLC does not have approval from the BLM to mine on public lands. The BLM's involvement in the Lucerne Project is limited to a right-of-way for their use of the American Flat Road as a haul road. Our office requests that in the future, you describe the limited involvement the BLM has with the Lucerne Project to avoid public confusion.”

Division Response 3:

The Permit and Fact Sheet have been revised to clarify this relationship.