



Working with Communities to Protect Their Land Air and Water

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March 14, 2014

TO: Nevada Mining Oversight and Accountability Commission

WHAT: Great Basin Resource Watch comments re Newmont Lone Tree Mine and Fugitive Mercury Emissions

FROM: John Hadder, Director

Great Basin Resource Watch (GBRW) routinely reviews new and renewal applications for Water Pollution Control Permits (WPCP) from mining operations. These permits are renewed every 5 years, and currently the Lone Tree gold mine permit is up for renewal. GBRW has submitted comments on this permit renewal, see attached letter. This commission should be aware of the actions of Newmont Mining Corp at this site in Humboldt County.

Newmont did with full knowledge contaminate groundwater by pumping on a former dewatering well (labeled as WW-27), which resulted in drawing highly contaminated pit lake water into the water table. To be clear according to a Fact Sheet provided by the Nevada Department of Environmental Protection (NDEP) as part of the permit renewal process, "In the event of a system upset or equipment failure, the Permittee is authorized to use WW-27 as a backup water supply on a short-term basis" (pg. 7). In our view, NDEP should not have allowed continued use of WW-27 as a water supply. However, Newmont has pumped from this well on two occasions for extended periods (at least six months) after June 2010 when Newmont was presented with a contractor report that pumping on WW-27 will draw water from the pit lake, and thus degrade groundwater.

All during the above periods after June 2010 quarterly monitoring reports show the water quality decreasing to well below standards in violation of Nevada state law. Newmont should have developed an alternative reliable water supply and abandoned WW-27 as a water supply well in 2010 once it was clear that use of this well would contaminate groundwater. The lack of effort to do so in the past four years demonstrates apparent disregard for Nevada's precious groundwater.

Newmont is no longer pumping on well WW-27 to our understanding as a result of a directive from NDEP, and GBRW has been assured by NDEP that Newmont is not to use that well again for a water supply. After several months of discontinued pumping on that well and the water quality observed from sampling water from WW-27 has returned to normal groundwater quality in that area. But, the question is, how long would Newmont have pumped on that well if not directed otherwise degrading groundwater all the time?

The Lone Tree mine is in partial closure, so this site is no longer highly profitable. It is likely that Newmont was seeking an inexpensive water supply source. GBRW encourages this body to note this conduct and be aware of the potential for illegal activities of mining operations that are in closure and no longer profitable.

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HANDOUT

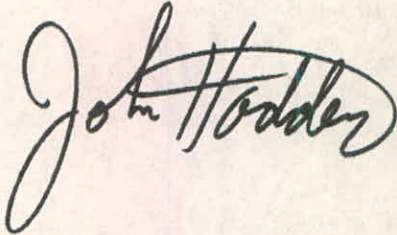
Presented by: John Hadder

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On another matter, GBRW appreciates this Commission's efforts to seek a funding mechanism to further advance the understanding of potential impacts of fugitive emissions from precious metal mines. We look forward to this discussion and will be available to this Commission to aid in this endeavor. The high toxicity of mercury requires that any release of mercury into our environment be taken seriously.

Sincerely,

A handwritten signature in black ink that reads "John Hadder". The signature is written in a cursive style with a large, looping "J" and a stylized "H".

John Hadder
Director