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**United States Department of the Interior
Bureau of Land Management**

**Battle Mountain Field Office
Battle Mountain, Nevada**

October 2005

**Ruby Hill Mine Expansion –
East Archimedes Project**



**Record of Decision and
Plan of Operations Approval**



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R839
2005c
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**COOPERATING AGENCIES:
Eureka County
Nevada Department of Wildlife**

MISSION STATEMENT

The Bureau of Land Management is responsible for stewardship of our public lands. The BLM is committed to manage, protect, and improve these lands in a manner to serve the needs of the American people. Management is based upon the principle of multiple use and sustained yield of our nation's resources within a framework of environmental responsibility and scientific technology. These resources include recreation, rangelands, timber, minerals, watershed, fish and wildlife habitat, wilderness, air and scenic quality, as well as scientific and cultural values.

BLM/BMPL-05/018 +1793

Cover: *Aerial photograph of existing Ruby Hill Mine (2002). View is from the northwest looking southeast.*

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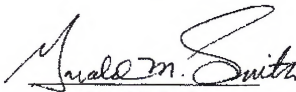
**RECORD OF DECISION
AND
PLAN OF OPERATIONS APPROVAL**

**Ruby Hill Mine Expansion –
East Archimedes Project**

NVN-067762
NV063-EIS04-34

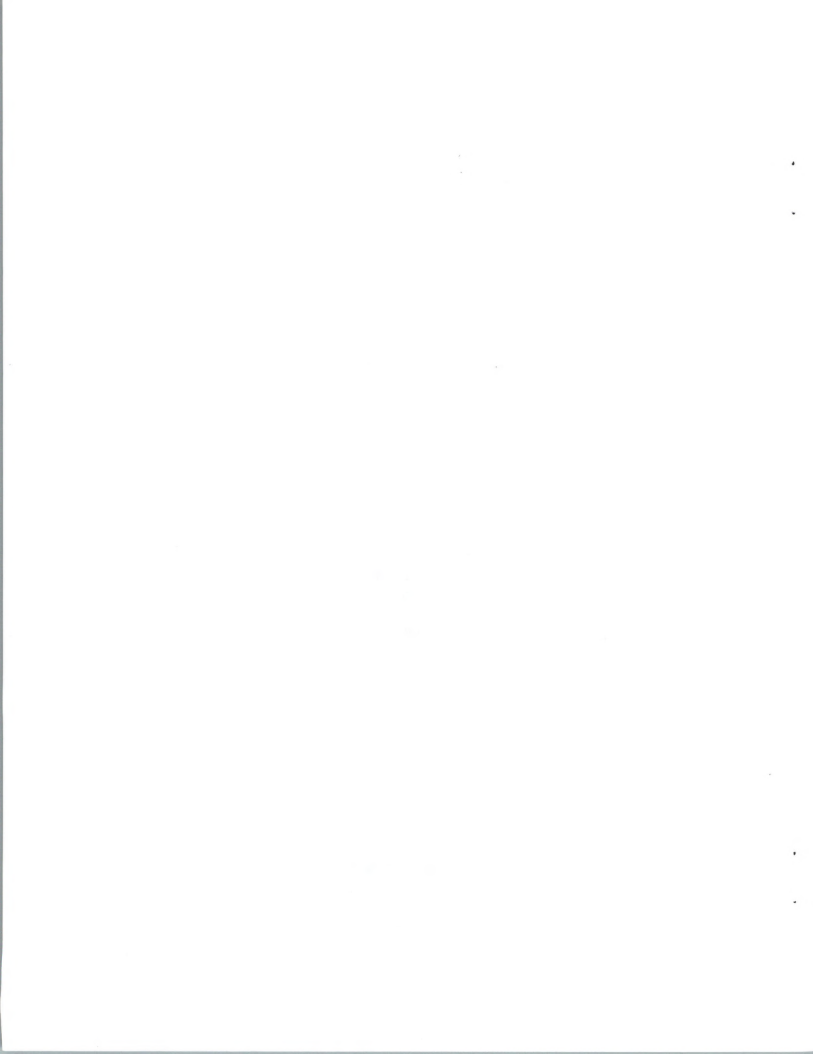
U.S. Department of the Interior
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Battle Mountain Field Office
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Battle Mountain, NV 89820

Approved by:



**Gerald M. Smith
Field Manager**

October 2005



**RECORD OF DECISION AND
PLAN OF OPERATIONS APPROVAL**

**HOMESTAKE MINING COMPANY
RUBY HILL MINE EXPANSION –
EAST ARCHIMEDES PROJECT**

**Plan of Operations #: NVN-067762
EIS#: NV063-EIS04-34**

PREPARED BY:
Bureau of Land Management
Battle Mountain Field Office
Battle Mountain, Nevada

COOPERATING AGENCIES:
Eureka County
Nevada Department of Wildlife

Introduction

Homestake Mining Company of California (Homestake), a wholly owned subsidiary of Barrick Gold Corporation, has submitted the Plan of Operations Amendment (Plan) for the Ruby Hill Mine Expansion – East Archimedes Project (Project) to the Bureau of Land Management (BLM) Battle Mountain Field Office. The Plan would expand the current Ruby Hill Mine, which is situated within the historic Eureka Mining District in Eureka County, Nevada, approximately 0.7 mile northwest of Eureka, Nevada.

Actions associated with the Project consist of the following: expansion of the open pit and pit activity area, West and East waste rock disposal areas, existing heap leach pad, and perimeter fence; development of dewatering facilities and soil borrow area; construction of a new haul road, lime silo, storm water event pond at the heap leach facility, and growth media stockpiles; and realignment of a power line segment and an access road segment. The Project will extend the mine life by approximately 7 years, followed by an estimated additional 2 years for final reclamation.

The Project will result in approximately 744 acres of new disturbance on public and private land. The Project is located within the previously approved Ruby Hill Mine permit area, which is in the southern portion of Township 20 North (T20N), Range 53 East (R53E) and the northern portion of T19N, R53E.

Decision

The decision of the Field Manager, BLM Battle Mountain Field Office, is to select the Proposed Action analyzed in the Ruby Hill Mine Expansion – East Archimedes Project Final Supplemental Environmental

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Impact Statement (Final SEIS) as modified with mitigation and monitoring requirements, as the BLM's Preferred Alternative. Development of the Project is authorized by this decision. The BLM decision is based on the action proposed in the Plan NVN-067762, submitted to the BLM pursuant to 43 Code of Federal Regulations (CFR) § 3809. Implementation of this decision with the identified mitigation and monitoring measures will not cause undue or unnecessary degradation of the public lands.

Alternatives analyzed in detail in the Final SEIS included the Proposed Action and No Action Alternative. Three additional alternatives were considered but not analyzed in detail. All mitigation that has been developed and adopted is consistent with regulations and policies in order to avoid or minimize environmental harm resulting from the selection of the Preferred Alternative. Means or methods to avoid or minimize environmental harm resulting from the selection of the Preferred Alternative have been adopted. All mitigation will be implemented and enforced.

Management Considerations

The rationale for the above decision is supported by the Surface Management Regulations (43 CFR § 3809), the Federal Land Policy and Management Act (FLPMA) of 1976, and the Mining Law of 1872, as amended. The Plan has been analyzed under the Council on Environmental Quality implementing regulations for the National Environmental Policy Act (NEPA) of 1969. Selection of the Proposed Action will allow Homestake to undertake and continue a legitimate use of the public lands in an environmentally sound manner without causing undue or unnecessary degradation.

BLM has selected the Preferred Alternative, based on the analysis in the Final SEIS, that best fulfills the agency's statutory mission and responsibilities, giving consideration to economic, environmental, technical, and other factors. The BLM has determined that the Preferred Alternative is the Proposed Action (inclusive of the applicant-committed environmental protection measures) detailed in Chapter 2.0 of the Final SEIS, including the monitoring and mitigation measures specified in Chapter 3.0.

The selection of the Preferred Alternative rather than the No Action Alternative is partially based on beneficial impacts associated with socioeconomic values, as this region is highly dependent on the mining industry for employment. The Preferred Alternative will result in beneficial impacts on socioeconomic as opposed to the No Action Alternative, which would result in the elimination of up to 7 additional years of employment for up to 130 individuals. In addition, the Preferred Alternative will provide for the extraction of ore reserves as allowed by the Shoshone-Eureka Resource Management Plan (RMP).

The BLM, Nevada Department of Wildlife, Eureka County, and Homestake have collaborated to mitigate environmental impacts that may result from the project. Homestake's proposed environmental protection measures and the mitigation measures outlined below will minimize the adverse environmental impacts identified in the Final SEIS. The monitoring requirements of the Plan and Final SEIS will assist Homestake, the BLM, and others in identifying, mitigating, or avoiding any unforeseen environmental impacts that may occur.

The BLM in coordination with the Nevada Division of Environmental Protection has determined that a reclamation bond amount of \$14,720,077 is required for the surface reclamation of the expansion and existing facilities at the Ruby Hill Mine. This reclamation bond will cover such items as detoxification of the heap leach pad, recontouring of slopes, placement of growth media, and revegetation. The bond is subject to change based on periodic (3-year) review of the reclamation cost estimate.

The Preferred Alternative is in conformance with the Shoshone-Eureka RMP Record of Decision (ROD) that states: "Make available and encourage development of mineral resources to meet national, regional, and local needs consistent with national objectives for an adequate supply of minerals." The RMP ROD also states "All public lands in the planning area will be open for mining and prospecting unless withdrawn from mineral entry."

The Project is in conformance with the President's National Energy Policy as put forth in Executive Order 13212 and will not have an adverse impact on energy development, production, supply, and/or distribution.

Summary of the Proposed Action

Principal expansion components of the Proposed Action include the following:

- Expansion of the open pit and pit activity area
- Expansion of the West and East waste rock disposal areas
- Expansion of the existing heap leach pad
- Dewatering facilities
- New haul road
- New lime silo
- New storm water event pond at the heap leach facility
- Growth media stockpiles
- Realignment of power line segment
- Realignment of access road segment
- Expansion of the perimeter fence
- Soil borrow area

Principal existing facilities utilized for the Proposed Action include the following:

- Crushing, grinding, and agglomeration facility
- Adsorption, desorption, and recovery (ADR) plant
- Warehouse/shop
- Administration/laboratory buildings

Summary of the No Action Alternative

Under the No Action Alternative, Homestake would not develop the East Archimedes ore body as presently defined. Homestake would continue to recover gold and silver at the existing heap leach facilities as

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previously approved. Upon completion of the currently permitted mining operation, the existing facilities would be closed and reclaimed in accordance with current permits and applicable federal and state closure and reclamation requirements. Following closure and reclamation, the total area that had been subject to mining and reclamation would be approximately 696 acres.

Summary of the BLM-preferred Alternative

The BLM-preferred Alternative is the Final SEIS Proposed Action, including all applicant-committed environmental protection measures incorporated into the design of the Proposed Action and all additional monitoring and mitigation measures developed in the Final SEIS.

Environmental Protection Measures

Environmental protection measures identified in Section 2.3.14 of the Final SEIS and incorporated into the Plan that will be implemented as standard operating procedures for the Preferred Alternative are summarized below. This ROD and Plan approval expressly incorporates each of the following environmental protection measures.

Water Resources, Surface Water Management, and Sediment Control:

- Current erosion control measures are contained in the mine's Storm Water Pollution Prevention Plan (SWPPP) (WESTEC 1997b). These measures include minimizing the area of soil disturbances; implementing concurrent reclamation; and installation of temporary diversion ditches, berms, and settling basins, as required. Similar measures will be implemented during construction, operation, and reclamation of the proposed expansion.
- Storm water diversion systems, as outlined in the SWPPP, will be constructed around new disturbance areas, as needed. Design criteria for any permanent diversions will be based on a 100 year, 24-hour storm event. Appropriate measures will be taken to ensure that the Eureka County waterline and Hogpen Canyon road will not be adversely affected by typical storm water drainage from site diversion systems.
- All existing roads at the Ruby Hill Mine have been constructed and maintained to provide adequate drainage and to minimize damage to soil and water resources. These goals have been met through the installation of ditches, settling basins, and culverts sized to meet applicable standards. These practices will continue during construction and maintenance of new mine expansion-related roads. Measures outlined in the SWPPP (e.g., hay or straw bale barriers and silt fences) and other measures not identified in the SWPPP (e.g., dispersion terraces, gabion sediment traps, or grass filter waterways) will be implemented, as required.
- To confirm potential groundwater drawdown model predictions, Homestake has committed to installing two additional groundwater level monitoring wells adjacent to the mine site, which will be monitored on a quarterly basis in conjunction with other existing wells already in place. It is anticipated that one of the

new monitoring wells will be located near the County Fairgrounds and the other will be located near the U.S. Highway 50/SR 278 intersection.

Acid Rock Drainage:

- Geochemical testing has been conducted on representative samples of waste rock from the pit expansion area to determine the net acid-neutralizing capacity. The results will be verified through implementation of a waste rock and overburden testing program during the operational phase of the expansion, similar to the program that was in place during the previous mining operations. Specific testing procedures for this program are contained in the existing State of Nevada Water Pollution Control Permit for the Ruby Hill Project.

Emergency Response and Spill Contingency:

- Spill prevention measures and contingency plans for containing accidental spills and for preventing uncontrolled discharges to the environment currently are in place at the project. These measures are outlined in the Emergency Response and Contingency Plan, which includes the SPCC Plan (WESTEC 1997c). Implementation of the spill prevention, response, containment, and cleanup measures as outlined in the plan will ensure that, during construction and operation of the mine expansion, spills of fuel or reagents will be contained, collected, and reintroduced into the process stream or safely disposed of in accordance with all appropriate federal and state regulations. The plan also includes procedures to be followed after a seismic event.

Stability of Facilities:

- Ore and waste rock to be placed, respectively, in the heap leach pad and waste disposal facilities will have the same physical characteristics as the existing material in these facilities. The expansion areas of the waste rock disposal areas and the heap leach pad will be designed and constructed to be stable during operation and following project closure. These designs will be based on the stability modeling results for the existing facilities, which are described in the Final Plan of Operations, Ruby Hill Project (Homestake 1996a). In addition, these facilities will be visually monitored on a regular basis during operation to identify any visible stability problems.
- Geotechnical investigations of the pit will continue throughout operations to assist in optimizing the final pit design. Pit stability has been, and will continue to be, monitored throughout the project life to ensure safe and uninterrupted operation. Monitoring has and will continue to consist of visual inspections, mapping and analysis of pit geological features, pit wall monitoring, documentation and investigation of major failures. If needed during the expansion, additional core drilling for stability studies, or the installation of additional permanent survey stations or devices to monitor pit walls, will be undertaken.

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Wildlife, Special Status Species, and Livestock Protection:

- The rerouted power line segment will be designed and constructed to minimize raptor electrocution potential.
- Anti-perching features will be used on newly constructed power line structures to minimize predation on sage grouse by raptors.
- During construction and operation of the existing Ruby Hill Project, Homestake constructed range fences compliant with BLM standards to exclude livestock from the project area. These fences will be expanded and maintained during the construction, operation, and reclamation of the proposed expansion.
- To minimize bird and bat mortality from open process solutions, the heap leach pregnant, barren, and lean solutions are, and will continue to be, collected in pipes. The two existing process solution tanks and process solution overflow ponds currently are netted. The nets will be maintained through operation and closure of the proposed expansion or until no longer required.
- Homestake has monitored, and will continue to monitor, wildlife mortality on the project site and to report all mortalities. As part of this process, the top of the heap leach pad currently is, and will continue to be, monitored daily for any substantial pooling of cyanide solutions. When necessary, appropriate measures to protect wildlife and eliminate pooling have been, and will continue to be, implemented.
- In the event that initiation of the expansion project should occur during the raptor nesting season (March 15 through July 15), a raptor survey, including, but not limited to, hawks, eagles, and burrowing owls, will be conducted, and appropriate mitigation measures, such as buffer zones around occupied nests, will be developed and implemented, as needed.
- To protect nesting birds, removal of migratory bird habitat on currently undisturbed lands in the project area will be avoided to the extent possible between April 15 and July 15. Should removal of habitat be required during this period, Homestake will coordinate with the BLM and NDOW to conduct breeding bird surveys and implement appropriate mitigation, such as buffer zones around occupied nests, as needed.
- Existing bat gates at Bullwhacker openings 1 and 2 protect habitat for bats that may be displaced by future mine closures. These will continue to be maintained to secure habitat for bats utilizing the Bullwhacker and associated workings and as a public safety measure.
- As additional protection for bat habitat, cupola structures will be constructed at the openings of the main Holly shaft, the remaining Williamsburg shaft, and one of the most stable remaining Bullwhacker shafts. These structures will secure habitat for bats in the project area and protect public safety. All other mine openings in the vicinity of the Bullwhacker, Silver West, Holly, and Williamsburg mines will

be closed for safety reasons. Prior to the closure of mine workings that could support bat roosting habitat, chain-link fencing or 1-inch chicken wire will be installed in late summer to early fall (after the maternity season and prior to hibernation) to allow bat egress and discourage bats from re-entering the mine shafts or adits.

- Homestake will continue to monitor remaining underground openings and historic mine workings that previously were identified as supporting bats. Monitoring will consist of annual summer surface surveys for 3 consecutive years following the implementation of the bat mitigation measures. Mid August is the preferred time to conduct surface surveys since adults and juveniles can be identified and recorded. These surveys will document the effectiveness of mitigation measures, and the activity and utilization levels of bats within the project vicinity. Homestake will coordinate the mitigation and monitoring with the BLM, bat biologists, NDOW, and Nevada Division of Minerals, as necessary.
- Six artificial nest structures previously were constructed to mitigate potential impacts to the ferruginous hawk as a result of the previously permitted Ruby Hill Mine. Based on monitoring of the nest structures since 1996, four of the six structures successfully have been used by breeding ferruginous hawks. Homestake may consider moving the two artificial nest structures (ANS 3-1 and ANS 3-2) that have not been used by breeding pairs to evaluate if location was a factor in their non-usage.

Vegetation and Invasive and Non-native Species:

- Certified weed-free mulch and seed mixtures have been used to reclaim portions of the existing Ruby Hill Project disturbance areas. This practice will continue under the Proposed Action. If noxious weeds become established in project-related disturbance areas, a weed removal or spraying program will be implemented. If herbicides are needed, their selection and use will be in accordance with Diamond Valley Weed District and BLM requirements.

Visual Resources:

- The existing East Waste Rock Disposal Area was designed as a visual shield between the mine site and U.S. Highway 50. The East Waste Rock Disposal Area expansion also will be designed to visually shield, to the extent possible, the pit expansion from U.S. Highway 50 and the Eureka County Fairgrounds.
- Similar to the existing waste rock facilities, final overall slopes on the expanded waste rock facilities will be 3.0H:1.0V or less, and shaped to blend with the existing topography to the extent possible.
- To reduce the visual impact of the expansion of the waste rock disposal areas, waste rock placement on the top of the dumps will be conducted in a manner that will create an irregular surface, and slopes will be shaped to provide topographical variability.

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- Water and dust-inhibiting agents will continue to be used, as needed, to reduce the potential visual effects of fugitive dust during operation. Water also may be used to enhance revegetation success, thereby also reducing visual effects.
- Outdoor night lighting at the mine currently is shielded and directed downward whenever possible. This practice will continue during construction and operation of the proposed expansion.
- The concurrent reclamation program previously implemented at the existing Ruby Hill Mine will continue in accordance with the site's Reclamation Plan, which will be amended, as required, for the mine expansion.
- Following the completion of operations, Homestake may choose to keep structures and buildings on private surface land. If applicable, structures and buildings on public surface land will be removed.

Air Quality:

- Access and haul roads within the project boundary currently are surfaced with gravel and are, and will continue to be, maintained. New expansion-related roads also will be surfaced with gravel and maintained throughout the life of the proposed expansion.
- Dust control measures, including chemical stabilization, water sprays, and other controls approved by the NDEP Bureau of Air Pollution Control currently are in place to reduce fugitive dust. These measures will remain in place during construction and operation of the proposed expansion.
- Currently, speed restrictions are enforced on project roads to minimize particulate emissions from the roadways. This practice will continue throughout the life of the proposed expansion.
- Inactive disturbance areas of the project site have been, and will continue to be, revegetated throughout the operational phase of the project, rather than deferring reclamation until operations have been completed.
- Ambient particulate concentrations were monitored during the previous operational phase at Ruby Hill. This monitoring will resume during construction and operation of the proposed expansion, in accordance with state permit requirements. Meteorological monitoring also will continue.

Cultural Resources:

- Section 3.15.1 of the SEIS describes the cultural resource surveys that have been conducted in the project area for the existing Ruby Hill Project and the proposed expansion. Appropriate Class III cultural resource surveys previously have been completed throughout the proposed expansion area. If previously undocumented sites are discovered during construction of the mining facilities, construction will be halted in the area of the discovery, and the BLM Authorized Officer will be contacted to evaluate the find. If the site is eligible to the National Register of Historic Places (NRHP), impacts will be

mitigated through an appropriate data recovery program agreed upon in the existing Programmatic Agreement (PA) that was developed by the BLM, Nevada State Historic Preservation Office (SHPO), Advisory Council on Historic Preservation, and Homestake for the existing Ruby Hill Mine. The PA is on file at the BLM Battle Mountain Field Office.

- Homestake currently limits employee access to known cultural resource sites, educates employees as to the significance of cultural resources and their vulnerability, and has implemented a strict management policy prohibiting collection of artifacts from lands within the project boundary. These measures will continue throughout the proposed expansion.
- Site number CrNV-63-6546 will be outside of the perimeter fence and as a result will be avoided by the proposed expansion.

Land Use Authorizations and Access:

- Prior to disturbing any bench mark, section, or corner monument on public land, Homestake will advise the BLM and describe plans to protect or reference them. Witness Corner Surveys will be provided by Homestake to protect existing monuments as required by state surveying procedures.
- The existing access road, located at the intersection of U.S. Highway 50 and State Route (SR) 278, will continue to be the access route to the project area. This route minimizes heavy truck and vehicular traffic through the town of Eureka, as most mine deliveries will arrive from the west on U.S. Highway 50 or from the north on SR 278.
- The publicly maintained road that traverses Hogpen Canyon will remain open to the public.
- A chain-link security fence will be installed around the ultimate perimeter of the expanded pit after mining has been completed. A safety berm will be constructed inside the chain-link fence.

Vibration Monitoring Program:

- Blasting only will be conducted during daylight hours.
- Previous surveys of numerous buildings in Eureka, noise/vibration studies, and the vibration monitoring program are described in the Final Plan of Operations, Ruby Hill Project (Homestake 1996a) and the Ruby Hill Project Final EIS (BLM 1997a). Vibration monitoring will be reinitiated with implementation of the Proposed Action. If persistent blasting-related vibrations greater than 0.25 inch per second are detected by the vibration monitors in Eureka, Homestake will notify the BLM and review and modify blasting practices immediately to avoid further ground vibration in excess of 0.25 inch per second, as necessary.

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Noise:

- Homestake will continue to cooperate with Eureka County and the Eureka County School District (ECSD) to reduce mine-related noise when noise-sensitive activities are scheduled to take place at the Eureka County Fairgrounds.
- During previous operations, blasting procedures were designed and operated to ensure that threshold noise and vibration levels were not exceeded, and to avoid times of greater sensitivity for potential receptors (generally between 7:00 p.m. and 7:00 a.m.). This practice also will be implemented during construction and operation of the proposed expansion.

General:

- An advisory group including Homestake representatives, local agencies, and citizens was established in 1997 to address issues of concern to the public related to operation of the existing Ruby Hill Mine. This group remains active and will continue to meet throughout the life of the expansion to discuss and resolve public concerns.

Environmental Monitoring Plan:

- The goal of the environmental monitoring plan presented in the original Final Plan of Operations, Ruby Hill Project is to ensure that the existing Ruby Hill Project is conducted in a manner that prevents unnecessary and undue degradation of the environment. A key objective of the plan is to protect the beneficial uses of groundwater in the vicinity of the project. This plan currently is in place and will continue to be implemented during the construction and operation of the proposed expansion. The plan outlines routine monitoring of the process fluid management system; periodic monitoring of groundwater, overburden, and waste rock; and revegetation success. Revisions to the plan may be made based on monitoring results.

Employee Environmental Education Plan:

- In an attempt to help reduce potential impacts to the environment, Homestake will continue to implement the established employee orientation training in environmental awareness. The objectives of this program are to familiarize employees with state and federal environmental laws specific to the mining operation; the safe use of reagents and chemicals utilized on the property; laws regarding wildlife, hunting, and general environmental concerns; and employee obligations regarding the cultural resources of the project area.

Mitigation and Monitoring

Methods to minimize environmental effects from the Preferred Alternative have been identified in the Final SEIS and made part of this ROD. A full discussion of these measures can be found in Chapter 3.0 of the

Final SEIS. All monitoring and mitigation measures identified in the Final SEIS will be instituted and adhered to by Homestake.

Paleontology

Mitigation Measure P1: If scientifically significant fossils, such as vertebrate fossils, are discovered during mine expansion activities, operation, or reclamation, steps will be taken to identify and preserve them. Homestake will contact the BLM paleontologist in the Battle Mountain Field Office to determine the steps necessary for dealing with the fossils.

Water Quality and Quantity

Mitigation Measure W1: Homestake will monitor water levels in several existing wells within the town of Eureka (Atlas Park well, Elementary School well, City Park well, Vet Clinic well, and at least two of the Ambulance Bay/Sheriff's Office wells), although it is noted that the Elementary School and City Park wells are used for irrigation and will only be monitored during the non-use season. Additionally, Homestake will install and monitor four additional monitoring wells, one near the Eureka County Fairgrounds, another near the intersection of Highway 50 and SR 278, and two others near the southern end of Eureka (see Mitigation Measures W2 and W3). Water level information from all of these monitoring wells will be shared with Eureka County as it is received.

Mitigation Measure W2: Homestake will install several ground surface monitoring points northeast of the proposed East Archimedes Pit to monitor for potential ground surface subsidence. These monitoring points will be both within and adjacent to the zone of saturated alluvium extending northeast of the mine site, and will be monitored on a quarterly basis. In the event that mine-related subsidence should be observed within this area, Homestake, in coordination with the applicable agencies, will develop an appropriate plan of action to ensure that the integrity of the highway and other public facilities will be maintained.

Mitigation Measure W3: Homestake will install two new groundwater wells in the southern end of Eureka to monitor groundwater drawdown associated with pit dewatering. In the event significant drawdown in near-surface groundwater levels attributable to mine dewatering were to occur, Homestake will coordinate with Eureka County to determine potential subsidence-related impacts and to mitigate the impacts.

Wildlife and Fisheries Resources

Mitigation Measure WR1: Prior to construction of mine expansion facilities, a qualified biologist will conduct surveys in the areas containing basin big sagebrush and Wyoming big sagebrush habitats to determine the relative habitat quality for the pygmy rabbit. If habitat exhibiting high or moderate relative abundance of pygmy rabbits is identified, Homestake will coordinate with the BLM on applicable mitigation measures, as needed.

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Social and Economic Values

Measure SE1: Homestake will maintain its ongoing communications and coordination efforts with Eureka County and the Eureka County School District to provide as much advance notice as possible of unforeseen changes.

Public Involvement

The formal public scoping period for the project officially began on April 2, 2004, when a Notice of Intent to prepare an SEIS for the Ruby Hill Mine Expansion – East Archimedes Project was published in the Federal Register. Two public scoping meetings were held for the SEIS, one on June 16 and one on June 17, 2004, in Battle Mountain and Eureka, Nevada, respectively. The scope of the SEIS reflects the input received from the public and from the appropriate government agencies. The following are the key scoping issues for the Project.

- Potential air quality impacts from fugitive dust and mercury
- Potential impacts to groundwater and surface water quantity from pit dewatering
- Potential short-term and long-term impacts to groundwater and surface water quality
- Post-closure pit water quality
- Potential for pit lake aquatic community development and associated potential impacts for fisheries and vegetation
- Potential impacts to native vegetation and soil productivity as a result of project development and reclamation
- Potential impacts to wildlife and wildlife habitat from land clearing, mine operations, and a potential hazardous materials spill
- The need for an ecological risk assessment
- Potential short-term and long-term livestock grazing impacts
- Potential noise impacts from mine operations
- Potential visual impacts associated with mine expansion
- Potential vibration-related impacts to historic buildings as a result of blasting
- Potential transportation impacts associated with off site transport of ore and mine access traffic safety
- Potential social and economic impacts
- Potential cumulative impacts

The 45-day public comment period on the Ruby Hill Mine Expansion – East Archimedes Project Draft SEIS began on March 11, 2005, when the U.S. Environmental Protection Agency published the Notice of Availability of the Draft SEIS in the Federal Register. Approximately 250 copies of the Draft SEIS were distributed by mail to various federal, state, and local agencies; elected representatives; environmental and citizen groups; industries and businesses; and individuals. Two public meetings were held for the Draft SEIS, one meeting in Battle Mountain on April 20, 2005, and another meeting in Eureka on April 21, 2005. A total of 42 individuals attended the meetings.

A total of 18 written comments (letters and forms) were received on the Draft SEIS. In preparing the Final SEIS, the BLM communicated with and received input from federal, state, and local agencies, as well as private organizations and individuals.

The 30-day public comment period on the Ruby Hill Mine Expansion – East Archimedes Project Final SEIS began on August 26, 2005, when the Environmental Protection Agency published the Notice of Availability of the Final SEIS in the Federal Register. Approximately 250 copies of the Final SEIS were distributed by mail to various federal, state, and local agencies; elected representatives; environmental and citizen groups; industries and businesses; and individuals. A total of 4 comment letters were received on the Final SEIS. These letters were assessed by the BLM prior to the BLM making a determination on the Preferred Alternative.

PLAN OF OPERATIONS AMENDMENT APPROVAL

Homestake's Plan of Operations Amendment, filed pursuant to 43 CFR § 3809, for the Ruby Hill Mine Expansion – East Archimedes Project was received in this office on November 13, 2003. The final revision was received on September 21, 2005. The Plan was assigned BLM case file number NVN-067762.

Approval of the Plan is granted based on the adoption of environmental protection measures and compliance with mitigation and monitoring detailed in the Final SEIS (NV063-EIS04-34) and ROD. Homestake may only perform those actions that have been described in the Plan. Homestake also must comply with all federal, state, and local regulations including obtaining all necessary permits from NDEP and other federal, state, and local agencies, and fulfilling any other FLPMA requirements applicable to the Project before proceeding with this Project.

The surface occupancy proposed in association with this project meets the conditions specified in the applicable regulations (43 CFR § 3715). BLM is in concurrence with the proposed occupancy of the subject lands. Homestake must continue to comply with sections 3715.2, 3715.2-1, and 3715.5 of the regulations.

Based on review of the reclamation cost estimate submitted by Homestake for the Plan, this office has determined the total bond amount to be \$14,720,077 for the 744 acres of total possible surface disturbance. The BLM's Nevada State Office accepted a bond sufficient to cover this amount from Homestake on October 3, 2005.

It is noted that the reclamation plan and cost estimate identifies \$6,029,854 from the total bond amount for both the physical reclamation of heap facilities as well as long-term heap leach facility management and closure. Specifically, the cost estimate provides bonding for process water neutralization and disposal; pond sludge disposal; construction, operation, and maintenance of a passive treatment system with land application; and heap and pond reclamation earthworks and revegetation, to include a growth media cover. It also includes bonding for an environmental assessment and engineering design to evaluate the impacts of the long-term solution management system prior to its construction. This cost estimate is anticipated to fully cover permanent heap leach and pond closure; however, BLM at any time may require additional bonding as warranted to achieve complete reclamation.

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At a minimum of 2 years prior to commencing final heap and pond reclamation, the operator of the Ruby Hill Mine will submit to the BLM and NDEP a final permanent closure plan for the heap leach facility and associated ponds with a detailed environmental impact analysis. On the basis of this and any other relevant information, BLM may require additional bonding.

As established in the Ruby Hill Project Plan of Operations and reaffirmed in the Ruby Hill Mine Expansion – East Archimedes Project Plan of Operations, a self-sustaining surety fund will be established by Homestake that can be accessed by both the BLM and the State of Nevada to maintain the chain-link security fence around the open pit after mine closure. The fund mechanism will be established by the BLM and NDEP. Homestake will deposit the necessary funds prior to mine closure. The BLM will determine the annual cost of maintaining the fence at the project site and will receive concurrence from the State of Nevada. The BLM then will determine the total cost for establishing an interest-bearing account that is sufficient to generate income to maintain the fence in perpetuity. The state or the BLM may hold and access these funds, as necessary, to hire third-party contractors to maintain the fence.

Homestake shall supply the BLM and the Nevada Division of Environmental Protection, Bureau of Mining Regulation and Reclamation, with copies of all applicable environmentally- and/or regulatory-related correspondence. When conducting the waste rock and overburden testing program during project operations, Homestake must comply with BLM Instruction Memorandum No. 96-79, Acid Rock Drainage Policy for Activities Authorized Under 43 CFR § 3802-3809.

All operators must comply with applicable federal and state laws dealing with the storage and disposal of chemicals, petroleum, petroleum products, Resource Conservation Recovery Act (RCRA) Subtitle C hazardous wastes, and RCRA Subtitle D solid wastes. Under no circumstances can chemicals, petroleum, petroleum products, or RCRA Subtitle C hazardous wastes be disposed in solid waste disposal areas on the mine or mill site without the written approval of the NDEP.

The operator must identify what waste products will be produced, whether the waste streams are hazardous or solid, and the disposal method and location. If hazardous wastes are generated, the operator must obtain an U.S. Environmental Protection Agency generator identification number from NDEP and must manifest all shipments off site. Copies of the manifests must be available for the Authorized Officer's inspection.

Approval of the Plan will not now nor in the future serve as a determination of the ownership or the validity of any mining claim in which it may relate. Approval of the Plan in no way implies the economic viability of the operation. Any modification to the Plan must be coordinated with and approved by the Authorized Officer. Surface occupancy related to the Plan is reasonably incidental to the mining operation.

43 CFR 3809 APPEAL STATEMENT

If you do not agree and are adversely affected by this decision, in accordance with 43 CFR § 3809.804, you may have the BLM State Director in Nevada review this decision. If you request a State Director review, the request must be received in the BLM Nevada State Office, 1340 Financial Blvd. 89502, P.O. Box 12000,

Reno, Nevada 89520-0006, no later than 30 calendar days after you receive this decision. A copy of the request must also be sent to this office. The request must be in accordance with the provisions provided in 43 CFR § 3809.805. If a State Director review is requested, this decision will remain in effect while the State Director review is pending, unless a stay is granted by the State Director.

If the Nevada State Director does not make a decision on whether to accept your request for review of this decision within 21 days of receipt of the request, you should consider the request declined and you may appeal this decision to the Interior Board of Land Appeals (IBLA). You then have 30 days in which to file your notice of appeal with the IBLA (see procedures below).

If you wish to bypass the State Director review, this decision may be appealed directly to the Interior Board of Land Appeals, Office of the Secretary, in accordance with the regulations contained in 43 CFR § Part 4 and the enclosed Form 1842-1. If an appeal is taken, your notice of appeal must be filed in this office (Battle Mountain Field Office, 50 Bastian Road, Battle Mountain, Nevada 89820) within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

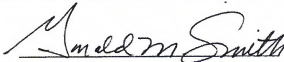
If you wish to file a petition pursuant to regulations 43 CFR § 4.21 for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the Board, the petition for a stay must accompany your notice of appeal. A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of this notice of appeal and petition for a stay must also be submitted to each party named in the decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (see 43 CFR § 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay

Except as otherwise provided by law or by other pertinent regulation, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards:

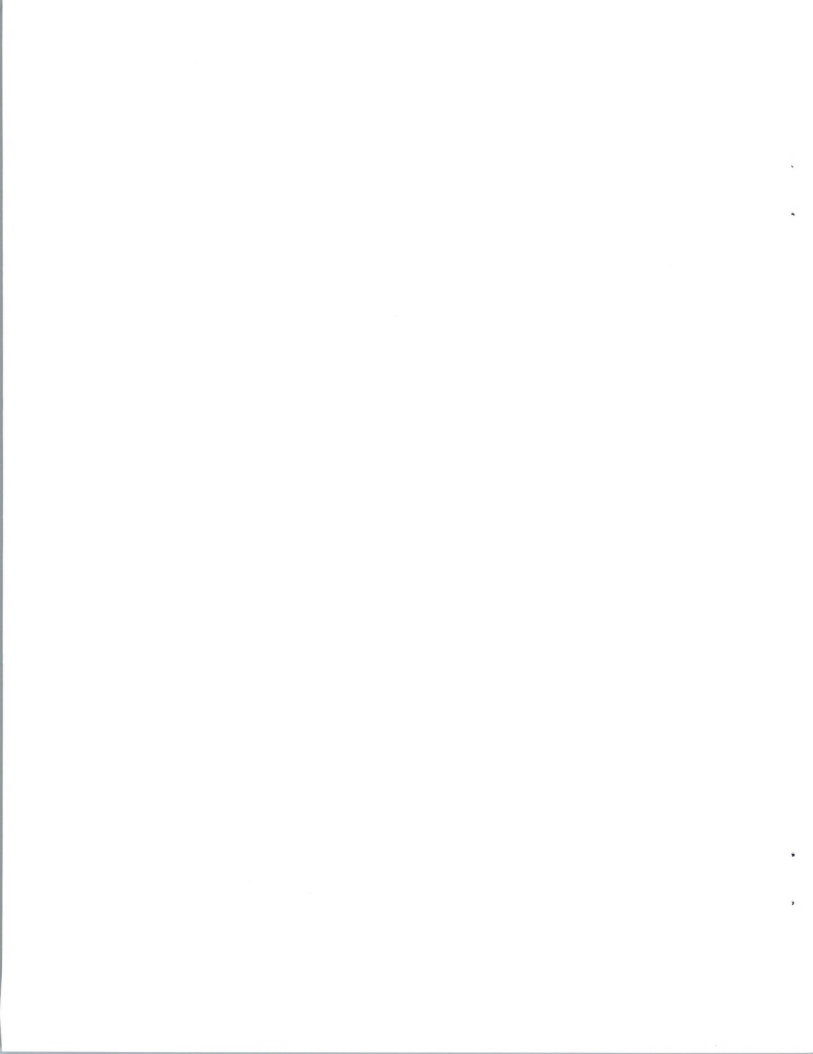
1. The relative harm to the parties if the stay is granted or denied,
2. The likelihood of the appellant's success on the merits,
3. The likelihood of immediate and irreparable harm if the stay is not granted, and
4. Whether the public interest favors granting the stay.

Record of Decision and Plan of Operations Amendment Approval:



Gerald M. Smith
Battle Mountain Field Manager

10-13-05
Date



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

INFORMATION ON TAKING APPEALS TO THE BOARD OF LAND APPEALS

DO NOT APPEAL UNLESS

1. This decision is adverse to you,
AND
2. You believe it is incorrect

IF YOU APPEAL, THE FOLLOWING PROCEDURES MUST BE FOLLOWED

1. NOTICE OF APPEAL Within 30 days file a *Notice of Appeal* in the office which issued this decision (see 43 CFR Secs. 4.411 and 4.413). You may state your reasons for appealing, if you desire.
2. WHERE TO FILE
NOTICE OF APPEAL U.S. Department of the Interior
Bureau of Land Management
Battle Mountain Field Office
50 Bastian Road
Battle Mountain, NV 89820

SOLICITOR
ALSO COPY TO U.S. Department of the Interior
Office of the Field Solicitor
6201 Federal Building
125 S. State Street
Salt Lake City, UT 84138-1180
3. STATEMENT OF REASON Within 30 days after filing the *Notice of Appeal*, file a complete statement of the reasons why you are appealing. This must be filed with the United States Department of the Interior, Office of the Secretary, Board of Land Appeals, 4015 Wilson Blvd., Arlington, Virginia 22203 (see 43 CFR 4.412 and 4.413). If you fully stated your reasons for appealing when filing the *Notice of Appeal*, no additional statement is necessary.

SOLICITOR
ALSO COPY TO U.S. Department of the Interior
Office of the Field Solicitor
6201 Federal Building
125 S. State Street
Salt Lake City, UT 84138-1180
4. ADVERSE PARTIES Within 15 days after each document is filed, each adverse party named in the decision and the Regional Solicitor or Field Solicitor having jurisdiction over the State in which the appeal arose must be served with a copy of: (a) the *Notice of Appeal*, (b) the Statement of Reasons, and (c) any other documents files (see 43 CFR Sec. 4.413). Service will be made upon the Associate Solicitor, Division of Energy and Resources, Washington, D.C. 20240, instead of the Field or Regional Solicitor when appeals are taken from decisions of the Director (WC-100).
5. PROOF OF SERVICE Within 15 days after any document is served on an adverse party, file proof of that service with the United States Department of the Interior, Office of Hearings and Appeals, U.S. Department of the Interior, 801 North Quincy St., Suite 300, Arlington, Virginia 22203. This may consist of a certified or registered mail "Return Receipt Card" signed by the adverse party (see 43 CFR Sec. 4.401 (c) (2)).

Unless these procedures are followed your appeal will be subject to dismissal (see 43 CFR Sec. 4.402). Be certain that all communications are identified by serial number of the case being appealed.

NOTE. A document is not filed until it is actually received in the proper office (see 43 CFR Sec. 4.401 (a)).

SUBPART 1821.2--OFFICE HOURS; TIME AND PLACE FOR FILING

Sec. 1821.2-1 *Office hours of State Offices.* (a) State Offices and the Washington Office of the Bureau of Land Management are open to the public for the filing of documents and inspection of records during the hours specified in this paragraph on Monday through Friday of each week, with the exception of those days where the office may be closed because of a national holiday or Presidential or other administrative order. The hours during which the State Office and the Washington Office are open to the public for the filing of documents and inspection of records are from 10 a.m. to 4 p.m., standard time or daylight savings time, whichever is in effect at the city in which each office is located.

Sec. 1821.2(d) Any documents required or permitted to be filed under the regulations of this chapter, which is received in the State Office or the Washington Office, either in the mail or by personal delivery when the office is not open to the public shall be deemed to be filed as of the day and hour the office next opens to the public.

(e) Any document required by law, regulations, or decision to be filed within a stated period, the last day of which falls on a day the State Office or the Washington Office is officially closed, shall be deemed to be timely filed if it is received in the appropriate office on the next day the office is open to the public.

* * * * *

