



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

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NOV 27 2012

In Reply Refer To:

3809 (NVB0100)

NVN-067782 (11-1A)

CERTIFIED MAIL: 7011 1570 0000 2334 4545

RETURN RECEIPT REQUESTED

DECISION

Barrick Ruby Hill Mine :

Attn: Mr. Clark Burton :

Environmental Superintendent :

P.O. Box 696 :

Eureka, NV 89316 :

Surface Management

Ruby Hill Project Amendment to the Plan of Operations Approval Determination of Required Financial Guarantee Conditions of Approval Required

INTRODUCTION

The Bureau of Land Management (BLM) has prepared Environmental Assessment (EA) DOI-BLM-NV-B010-2012-0047-EA that analyzes the affected environment and environmental impacts associated with the Ruby Hill Pit Expansion Project (Project), BLM case file number NVN-067782 (11-1A). The Project is located approximately 0.7 mile northwest of the town of Eureka, Nevada, at an elevation ranging between 6,200 feet to 6,500 feet above mean sea level (amsl). The Project Area includes approximately 8,411 acres that consist of approximately 3,015 acres of private land owned by Barrick Gold Corporation (Barrick) and operated by Homestake Mining Company of California (Homestake), a wholly owned subsidiary of Barrick, and approximately 5,396 acres of public land administered by BLM Battle Mountain District, Mount Lewis Field Office (MLFO). The Project boundary encompasses all or portions of Sections 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 14, 15, 16, 17, 20, 21, 22, and 23 of Township 19 North, Range 53 East (T19N, R53E), and portions of Sections 31, 32, 33, and 34 of T20N, R53E, Mount Diablo Base and Meridian (MDB&M), Eureka County, Nevada (Project Area). Figure 1.1.1 of the Plan of Operations shows the Project Area, access roads, and land status.

Homestake submitted to the BLM and the Nevada Division of Environmental Protection (NDEP) Bureau of Mining Regulation and Reclamation (BMRR) an Amendment to the Plan of Operation and Nevada Reclamation Permit (Record Number NVN-067782/Reclamation Permit No. 0107) (Plan) to expand an existing open pit gold and silver mining and processing operation. The proposed expansion, which has been analyzed in the EA as the Proposed Action, would utilize the existing primary and secondary crushers, solution processing plant, and ancillary support facilities. The Plan includes the following activities: expansion of the existing open pit and pit activity area (PAA); lowering of the final pit bottom by 240 feet to 5,100 feet amsl; inclusion of a conceptual process pond for future fluid management of the heap drain down flows during closure; realignment of portions of the existing perimeter fence associated with the open pit expansion; increasing the authorized acreage of surface exploration related disturbance; expansion of the Class III landfill; and the establishment of a flexible mining and ore hauling timeline based on mining rates and economic conditions.

Expansion activities would disturb approximately 34.3 acres of additional BLM-administered public land and approximately 72.3 acres of additional private land for a proposed surface disturbance total of 106.6 acres. The total of the existing and proposed surface disturbance for the Project would be 1,742.4 acres within the existing Project Area.

The Proposed Action is consistent with Federal law, BLM regulations and policy, and the BLM Shoshone-Eureka Resource Management Plan (1986), as amended. The U.S. Department of the Interior's Surface Management regulations, Code of Federal Regulations (CFR) 43 Subpart 3809 (43 CFR 3809), and current BLM policy permit mineral development on public lands, if such activities do not cause unnecessary or undue degradation of the public resources. In addition, the Proposed Action is consistent with the plans and policies of applicable state, tribal, and federal agencies and governments. Although Eureka County, through coordination with the BLM and the project proponent, has determined that the proposed project is substantially consistent with the policies in Eureka County's Master Plan, some of the components of the proposed project could prove inconsistent with these plans and policies as described in Section 1.5.2 of the EA. The Proposed Action, with the applicant-committed environmental protection measures and the mitigation measures stipulated by the BLM, in the Record of Decision (ROD) for the original Ruby Hill Project Final Environmental Impact Statement (NV64-EIS96-33 and the Ruby Hill Mine Expansion-East Archimedes Project Final Supplemental Environmental Impact Statement (NV063-EIS04-34), will not cause unnecessary or undue degradation of public lands.

BACKGROUND

An internal scoping meeting for the BLM was initiated at a meeting on February 23, 2012. During the scoping meeting, BLM resource specialists identified the supplemental authorities and other resources and uses to be analyzed in the EA. The following specific issues related to the Proposed Action were identified as present/potentially affected: Air Quality; Bald and Golden Eagles; Cultural Resources; Geology and Mineral Resources; Migratory Birds; Native American Traditional Values; Noxious Weeds, Invasive and Nonnative Species; Socioeconomic Values; Soils; Special Status Species; Vegetation; Wastes, Hazardous or Solid; Water Resources; and Wildlife.

In addition to the supplemental authorities of the human environment, other resources that have been considered in this EA include: Fire Management, Grazing Management, Land Use, Access,

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In addition to the supplemental authorities of the human environment, other resources that have been considered in this EA include: Fire Management, Grazing Management, Land Use, Access,

Public Safety, Recreation, Geology and Minerals, Paleontological Resources, Socioeconomic Values, Soils, Special Status Species (Plants and Wildlife), Transportation, Vegetation, Visual Resources, Wild Horse and Burros, and Wildlife, Chapter 3 of the EA describes these impacts in details.

The following resources are unlikely to be affected because they do not exist in the Project Area: Area of Critical Environmental Concern (ACEC), Environmental Justice, Farmlands (Prime or Unique), Fish Habitat, Floodplain, Forest and Rangelands, Human Health and Safety, Threatened or Endangered Species, Wetlands and Riparian Zones, Wild and Scenic rivers, and Wildness/Wilderness Study Areas (WSA)/Land with Wildness Characteristics.

The BLM initiated Native American Coordination (NAC) via initiation/invitation letters on March 14, 2012. NAC letters were mailed to the following tribes: Ely Shoshone Tribe; Te-Moak Tribe of Western Shoshone; Duckwater Shoshone Tribe; and Yomba Shoshone Tribe. The BLM conducted a Native American site visit on July 18, 2012; representatives from the Duckwater and Yomba Tribes were in attendance.

The EA was made available for a 30-day public comments period, which concluded on September 10, 2012. Copies of the EA were sent out to those on the BLM "interested parties" mailing list and posted on the BLM website. A total of three comment letters were received with substantive comments from the United States Fish and Wildlife Service and the Eureka County Board of Commissioners. The individual comments and responses to each of these comments can be found in Appendix A of the final EA. A Finding of No Significant Impact (FONSI) has also been enclosed as Attachment A to this Decision.

All correspondence relative to this planning process is part of the public record and is available for review at the MLFO.

DECISION

As a result of the analysis presented in the EA, and after carefully considering the comments and input received from the public, it is my decision to:

- 1. Approve the Ruby Hill Project Amendment to the Plan of Operations with the conditions of approval listed below.** This management decision for the Ruby Hill Project is issued pursuant to 43 CFR 3809.803, effective immediately, and will remain in effect while appeals are pending before the Office of Hearings and Appeals (OHA) unless OHA grants a stay under §4.21(b) of his title. The Plan for the Ruby Hill Project is hereby approved subject to the conditions of approval required in order to prevent unnecessary or undue degradation. Homestake must conduct operations as described in the Plan and in accordance with the conditions of approval contained in this Decision.
- 2. Based on Homestake reclamation cost estimate, the BLM review of the cost estimate, NDEP-BMRR concurrence dated October 2, 2012, and consideration of the conditions of approval, the required financial guarantee amount is hereby set at \$22,641,556 for reclamation of the Ruby Hill Project.** This amount is subject to change pending further review by the BLM and the NDEP BMRR. Homestake must provide a financial guarantee in this

amount using one or more of the acceptable financial guarantee instruments listed in 43 CFR 3809.555.

Within 60 days of receipt of this Decision, a financial guarantee in the amount of \$22,641,556 must be filed and accepted by the BLM, Nevada State Office, Branch of Minerals Adjudication, 1340 Financial Boulevard, Reno, NV 89502-7147. Failure to do so may result in enforcement action being taken against Homestake. That office will issue a decision as to the acceptability of the financial guarantee. You must not begin surface disturbing activities under the Plan until you receive notification from the BLM State Office that the financial guarantee has been accepted.

Approval of a Plan by the BLM does not constitute a determination regarding the validity or ownership of any unpatented mining claims involved in mineral exploration and development operations. **Homestake is responsible for obtaining any use rights or local, state or federal permits, licenses or reviews that may be required before operations begin.**

This decision also constitutes concurrence with Homestake use and occupancy of public lands as described in the approved Project. Homestake must maintain compliance with the Use and Occupancy regulations at 43 CFR 3715.2, 3715.2-1 and 3715.5 throughout the duration of the approved Project. Concurrence by BLM on Homestake proposed use and occupancy is not subject to State Director review, but may be appealed by adversely affected parties directly to the Interior Board of Land Appeals (IBLA) as outlined in enclosed BLM form 1842-1.

The rationale in the attached FONSI supports this Decision. The Proposed Action, coupled with operating, applicant-committed environmental protection measures and reclamation measures detailed in the EA and mitigation measures listed in this document have led to my decision that all practicable means to avoid or minimize environmental harm have been adopted and that unnecessary or undue degradation of the public lands will not result. This decision is consistent with the Shoshone-Eureka Resource Management Plan (1986) and ROD.

The BLM approval of the Plan will be subject to operating, reclamation and monitoring measures proposed by Homestake in the Plan of Operations, the performance standards set forth in §3809.420 and additional BLM mitigation measures set forth in the Record of Decisions (ROD) for the original Ruby Hill Project Final Environmental Impact Statement (NV64-EIS-33) and the Ruby Hill Mine Expansion-East Archimedes Project Final Supplemental Environmental Impact Statement (NV063-EIS04-34) and restated in this Decision.

3. Conditions of Approval

Air Quality

AQ-1: Emissions of fugitive dust from disturbed surfaces would be minimized by utilizing appropriate control measures. Surface application of water from a water truck and reduced speed limits on dirt access roads is the current method of dust control during high wind conditions.

Cultural Resources

CR-1: Pursuant to 43 CFR 10.4(g), Homestake would notify the BLM authorized officer, by telephone, and with written confirmation, immediately upon the discovery of human remains, funerary objects, sacred objects, or objects of cultural patrimony (as defined in 43 CFR 10.2). Further pursuant to 43 CFR 10.4 (c) and (d), the operator would immediately stop all activities in the vicinity of the discovery and not commence again for a maximum of 30 days or when notified to proceed by the BLM authorized officer.

CR-2: Homestake would not knowingly disturb, alter, injure, or destroy any historical or archaeological site, structure, building, or object. If Homestake discovers any cultural resource that might be altered or destroyed by operations, the discovery would be left intact and reported to the authorized BLM officer.

CR-3: In order to prevent impacts to cultural resources, Homestake would avoid eligible or unevaluated cultural sites within the Project Area. In order to avoid eligible or unevaluated cultural sites, Homestake would submit an annual work plan to the BLM. Homestake would ensure that eligible or unevaluated cultural sites within the area of proposed phase surface disturbance are mapped by a qualified cultural resource specialist with a global positioning system (GPS) unit prior to surface disturbance, and a summary report of that mapping would be provided to the BLM by the cultural resource specialist. The BLM would review the proposed locations of the surface disturbance and notify Homestake if the locations overlap with an eligible or unevaluated cultural site. If an eligible or unevaluated cultural site is located within the area of proposed surface disturbance, the identified cultural site(s) would be avoided.

Erosion and Sediment Control

EC-1: Final reclamation of the surface mine, constructed roads, sumps, and drill pads would consist of, if applicable, fully recontouring disturbances to their original grade and reseeding in the fall season immediately following completion of exploration and mining activities. Overland travel routes would be scarified, if compacted, and then seeded.

EC-2: Reseeding would be consistent with all BLM recommendations for mix constituents, application rate, and seeding methods.

EC-3 Mine reclamation would be implemented to create a safe and stable topographic feature. The in-pit bench and highwalls would be left in place upon completion of mining. A chain-link fence would be installed around the open pit. Safety berms would be constructed inside of the fence and revegetated. After dewatering activities cease, a pit lake is anticipated to form in the bottom of the open pit. Reclamation activities would be scheduled as soon as possible after mining activities in a particular area are completed and to take advantage of optimal climatic conditions.

EC-4: Drill pads and sumps would be reclaimed as soon as practicable after completion of logging and sampling.

Fire Management

FM-1: All applicable state and federal fire laws and regulations would be complied with and all reasonable measures would be taken to prevent and suppress fires in the Project Area.

FM-2: In the event the Project should start a fire, Homestake would be responsible for all the costs associated with suppression. The following precautionary measures would be taken to prevent and report wildland fires:

FM-2a: All vehicles should carry fire extinguishers, and a minimum of 10 gallons of water.

FM-2b: Adequate firefighting equipment i.e. shovel, pulaski, extinguisher(s), and a minimum 10 gallons of water should be kept at the drill site(s).

FM-2c: Vehicle catalytic converters would be inspected often and cleaned of all brush and grass debris.

FM-2d: Homestake would conduct welding operations in an area free from or mostly free from vegetation. A minimum of 10 gallons water and a shovel should be on hand to extinguish any fires created from the sparks. Extra personnel should be at the welding site to watch for fires created by welding sparks.

FM-2e: Homestake would report wildland fires immediately to the BLM Central Nevada Interagency Dispatch Center (CNIDC) at (775) 623-3444. Helpful information to be reported is location (latitude and longitude if possible), what is burning, time started, who/what is near the fire, and direction of fire spread.

FM-2f: When conducting operations during the months of May through September, Homestake would contact the BLM MLFO, Division of Fire and Aviation at (775) 635-4000 to inquire about any fire restrictions in place for the area of operation and to advise this office of approximate beginning and ending dates for your activities.

FM-3: A defensible space around fire-sensitive equipment utilized in the Project Area would be created. The defensible space would be 2.5 times the height of the vegetation in the area.

Hazardous or Solid Wastes

HSW-1: Pursuant to 43 CFR 8365.1-1(b)(3), no sewage, petroleum products, or refuse would be dumped from any trailer or vehicle.

HSW-2: Only nontoxic fluids would be used in the drilling process.

HSW-3: Regulated wastes would be removed from the Project Area and disposed of in a state, federal, or local designated area.

HSW-4: If a spill of a petroleum constituent is considered to meet the reportable quantity per the NDEP's guidelines (greater than 25 gallons or greater than 3 cubic yards of impacted material) or a reportable quantity for hazardous waste is released based on the Federal EPA guidelines

established under Title III (40 C.F.R. Part 302), the NDEP would be notified within 24 hours and the appropriate remedial actions and confirmation sampling would be conducted under direction of the NDEP.

Noxious Weeds, Invasive and Non-native Species

NW-1: Noxious weeds would be controlled through implementation of preventive Best Management Practices (BMPs) and eradication measures if noxious weeds were found.

NW-2: To eliminate the transport of vehicle-borne noxious weed seeds, roots, or rhizomes all vehicles and heavy equipment used for the completion, maintenance, inspection, or monitoring of ground disturbing activities, for emergency fire suppression, or for authorized off-road driving within the Project Area would be free of soil and debris capable of transporting weed. Vehicles used for emergency fire suppression would be cleaned as part of check-in and demobilization procedures. Cleaning efforts would concentrate on tracks, feet and tires, and on the undercarriage. Special emphasis would be applied to the axles, frames, cross members, motor mounts, on and underneath the steps, running boards, and front bumper/brush guard assemblies. Vehicle cabs would be swept out and refuse would be disposed of in waste receptacles. Cleaning sites would be recorded using GPS and provided to the MLFO weed coordinator or designated contact person.

MW-3: Homestake would coordinate the eradication of the known population of musk thistle with the BLM prior to surface disturbing activities in the vicinity of this population.

NW-4: The strategy for noxious weed management is to “prevent and control the spread of noxious weeds through local and regional cooperative efforts to ensure maintenance and restoration of healthy ecosystems in BLM managed lands.” Noxious weed and invasive species control would be based on a program of “prevention, education, detection, and rapid response and control of small infestations.” New surface disturbance from the Proposed Action would increase the potential for and promote the spread and establishment of noxious weeds and invasive and nonnative species. These impacts would be temporary and minimal based on implementation of the Applicant-Committed Environmental Protection Measures outlined in Section 2.1.12, as well as the continued implementation of the Project’s Noxious Weed Management Plan (SRK 2010).

Migratory Birds

MB-1: In order to avoid potential impacts to breeding migratory birds (including golden eagles [*Aquila chrysaetos*]), a nest survey would be conducted by a BLM approved biologist prior to any surface disturbance associated with exploration activities during the avian breeding season (March 1 through August 31 for raptors and April 1 through August 1 for other avian species). Pre-disturbance surveys for migratory birds are only valid for 14 days. If the disturbance for the specific location does not occur within 14 days of the survey another survey would be needed. If nests are located, or if other evidence of nesting (i.e., mated pairs, territorial defense, carrying nest material, transporting food) is observed, a protective buffer (the size depending on the habitat requirements of the species) would be delineated after consultation with the BLM resource specialist and the buffer area avoided to prevent destruction or disturbance to nests or birds until they are no longer actively breeding or rearing young. The site characteristics to be

used to determine the size of the buffer area are as follows: a) topographic screening; b) distance from disturbance to nest; c) the size and quality of foraging habitat surrounding the nest; d) sensitivity of the species to nest disturbances; and e) the protection status of the species.

Native American Concerns

NA-1: Tribal representatives and/or lineal descendants, along with BLM cultural resources specialists, may periodically monitor identified sites (previously identified or inadvertent discovery of any new site). This monitoring may continue throughout the life of the Project.

NA-2: With the implementation of the protection, avoidance, and monitoring measures previously described above, no additional mitigation measures are necessary at this time (pending continued consultation). However, as the Project Area continues to be utilized or new disturbance is proposed, consultation can be reinitiated for the same activity at any time. Depending on observed impacts, monitoring, identified mitigation measures, unforeseen impacts, growth of the Project, and continued tribal participation, consultation can occur throughout the life of this Project.

Paleontological Resources

PR-1: Homestake would not knowingly disturb, alter, injure, or destroy any scientifically important paleontological deposits. If Homestake discovers any paleontological resource that might be altered or destroyed by operations, the discovery would be left intact and reported to the authorized BLM officer.

Public Safety

PS-1: Public safety would be maintained throughout the life of the Project. All equipment and other facilities would be maintained in a safe and orderly manner.

PS-2: All trenches, sumps, and other small excavations that pose a hazard or nuisance to the public, wildlife, or livestock would be adequately fenced to preclude access.

PS-3: Activities would be restricted to frozen or dry ground conditions where feasible. Operations would be curtailed when saturated and soft soil conditions exist.

PS-4: In the event that any existing roads are severely damaged as a result of Homestake activities, Homestake would return them to their original condition.

Survey Monuments

SM-1: As directed in 43 CFR 3809.420 – Surface Management – (b) (9) *Protection of survey monuments*, it is your responsibility to bear the cost of any necessary restoration or reestablishment activity of the affected monument(s). Correspondingly, in the course of any accepted surface disturbance activity when Public Survey System Monuments/Cadastral corners or accessories that may or have been subject to obliteration, destruction, or damage, it will be your responsibility to protect and preserve the monumentation. Further clarification can be found in Nevada BLM's Instruction Memorandum No. NV-2007-003 www.nv.blm.gov.

Water Quality

WQ-1: In order to avoid potential impacts to water resources within the Project Area, Homestake would avoid direct impacts to the riparian areas within the Project Area.

WQ-2: All springs and seeps within three miles of the Project Area are located above the ground water table and are upgradient of the proposed expansion. Impacts to seeps and springs are not anticipated from the Project. Intermittent drainages may be impacted by the Proposed Action as a result of removal of intermittent stream segments within the Project Area. However, intermittent streams located in the Project Area are not considered to be jurisdictional waters of the United States (BLM 2005). Also, there are no receiving surface water bodies within the Project Area or immediate vicinity other than intermittent or ephemeral drainages. Runoff and sedimentation within the Project Area would be minimized by Applicant-Committed Environmental Protection Measures outlined in Section 2.1.12, including the use of BMPs, and those measures established in prior authorizations within the Project Area. Consequently, impact to surface water quality through sedimentation would be minimal.

WQ-3: As permitted in the Water Pollution Control Permit (WPCP), the conceptual process pond and associated facilities proposed by the Project would be equipped with a liner system to prevent leaching into the groundwater system. Therefore, contamination of groundwater by leach solution is not anticipated. No major differences would exist in the amount of Potentially Acid Generating (PAG) material present in the mined material above the proposed pit bottom elevation, as the additional ore would essentially be the same material as mined under the current authorization. PAG would continue to be managed per the requirement of the ROD for the 2004 SEIS and requirements of WPCP. Therefore, no additional PAG issues are anticipated. The water quality associated with the pit lake is expected to meet all current Nevada groundwater standards, and varies little when compared to the predicted water quality of the pit lake assessment under existing conditions (Schafer 2004 and Schafer 2010).

WQ-4: Surface disturbance associated with proposed drill site locations adjacent to drainages would be set back 20 feet from the banks of this water course to avoid accelerated sedimentation and impacts to water quality. Further, BMPs including the installation of straw waddles or bales would be implemented on the downslope side of the disturbance footprint to further protect this water course from sedimentation. No drill sites would be located within the bed of this water course.

WQ-5: All but three drill holes would be surveyed and plugged as an operational procedure immediately after completion of drilling in accordance with NAC 534.421 and 534.425. Three drill holes would be collared with a reverse circulation drill rig and completed using a core rig. Once the core rig has completed drilling, the hole would be plugged. Remaining drill holes would be plugged by placing drill cuttings or inorganic fill material into the total depth of the hole, or if ground water is encountered, plugged as a well pursuant to NAC 534.420.

WQ-6: Drill cuttings would be contained and fluids managed on site utilizing appropriate control measures. Sediment traps would be used as necessary and filled at the end of the drill program.

WQ-7: Homestake would follow the Spill Contingency Plan for the Project as outlined in the Plan.

WQ-8: If artesian water is encountered in any well or borehole, it will be controlled as required in the NRS § 534.060(3).

Wilderness Study Area

WSA-1: Homestake will survey and flag the boundary of the Diamond Mountains and Diamond Valley Wilderness Study Area (WSA) where it bounds the Project Area to ensure that surface disturbing activity is minimized within the WSA.

RATIONALE

The Proposed Action analyzed in DOI-BLM-NV-B010-2012-0047-EA and the attached FONSI show that all practicable means to avoid or minimize environmental harm have been adopted and that unnecessary or undue degradation of the public lands will not occur as a result of the activities at the Ruby Hill Project.

The Proposed Action is in conformance with the Shoshone-Eureka Resource Management Plan Record of Decision (ROD) which states: 1) “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 (page 29),” 2) the ROD also states “All public lands in the planning area will be open for mining and prospecting unless withdrawn from mineral entry (page 29),” and 3) final reclamation will ensure public safety and the return of the exploration disturbance to its pre-exploration land uses of grazing, wildlife habitat, and mineral exploration. Final reclamation will also reduce visual contrast created during the mining operation.

The Proposed Action is in conformance with the President’s National Energy Policy Act of 2005 as per Instruction Memorandum (IM-2002-053), as put forth in Executive Order 13212 and will not have an adverse impact on energy development, production, supply, and/or distribution. The EA and FONSI support this decision.

AUTHORITY

This Decision is in conformance with the National Environmental Policy Act (NEPA) of 1969 (P.L. 91-190) as amended (72 USC 4321 et.seq.); General and Title V of the Federal Land Management Policy Act of 1976 (FLPMA); 43 CFR Part 3800 Subpart 3809- Surface Management (16 USC et.seq.); and 43 CFR Part 3710 Subpart 3715 – Use and Occupancy Under the Mining Laws.

APPEAL PROVISIONS

If you are adversely affected by this decision, you may request that the Nevada BLM State Director review this decision. If you request a State Director Review, the request must be received in the BLM Nevada State Office at:

BLM Nevada State Office
State Director
1340 Financial Blvd.
Reno, Nevada 89502-7147

no later than 30 calendar days after you receive or have been notified of this decision. The request for State Director Review must be filed in accordance with the provisions in 43 CFR 3809.805. This decision will remain in effect while the State Director Review is pending, unless a stay is granted by the State Director. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

If the State Director does not make a decision on 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 may contact the BLM Nevada State Office to determine when the BLM received the request for State Director Review. You have 30 days from the end of the 21-day period in which to file your Notice of Appeal with this office at 50 Bastian Road, Battle Mountain, NV 89820, which we will forward to IBLA.

If you wish to bypass a State Director Review, this decision may be appealed directly to the IBLA in accordance with the regulations at 43 CFR 3809.801(a)(1). Your Notice of Appeal must be filed in this office at 50 Bastian Road, Battle Mountain, NV 89820, within 30 days from receipt of this decision. As the appellant, you have the burden of showing that the decision appealed from is in error. Enclosed is BLM Form 1842-1 that contains information on taking appeals to the IBLA.

This decision will remain in effect while the IBLA reviews the case, unless a stay is granted by the IBLA. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

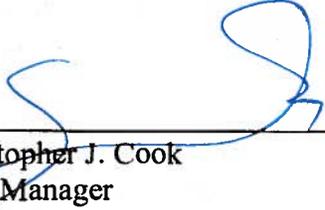
Request for a Stay

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 IBLA, 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 IBLA 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 other pertinent regulation, a petition for a stay of a decision pending appeal must show sufficient justification based on the following standards:

1. The relative harm to 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.
4. Whether the public interest favors granting the stay.



Christopher J. Cook
Field Manager
Mount Lewis Field Office

11/27/12
Date

Enclosures

cc: Shawn K. Gooch
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NV-923

Mr. Maurice Frank-Churchill
Assistant to Division Managers
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Elko, NV 89801

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Nevada Department of Administration
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Carson City, NV 89701-4298

Skip Canfield
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ATTACHMENT A

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
BATTLE MOUNTAIN DISTRICT-MOUNT LEWIS FIELD OFFICE

DOI-BLM-NV-B010-2012-0047-EA

FINDING OF NO SIGNIFICANT IMPACT

Environmental Assessment (EA) DOI-BLM-NV-B010-2012-0047-EA, dated October 2012, has been reviewed by the Bureau of Land Management (BLM) and the public for a 30-day comment period. After consideration of the environmental effects as described in the EA, the Records of Decision (ROD) for the original *Ruby Hill Project Final Environmental Impact Statement (NV64-EIS96-33)* and the *Ruby Hill Mine Expansion- East Archimedes Project Final Supplemental Environmental Impact Statement (NV063-EIS04-34)*, the Proposed Action is not a major Federal Action and will not significantly affect the quality of human environment; individually or cumulatively with other actions in the general area. No environmental effects meet the definition of significance in context or intensity as described in 40 CFR 1508.27. Therefore, preparation of an Environmental Impact Statement (EIS) is not required as per Section 102(2)(c) of the National Environmental Policy Act (NEPA).

LAND USE PLAN CONFORMANCE

The BLM-managed public lands within the Project Area are administered through the Mount Lewis Field Office (MLFO). The area is subject to the BLM Shoshone-Eureka Resource Management Plan (RMP), which was approved in 1986, and its amendments. It has been determined that the Proposed Action is in conformance with the approved Shoshone-Eureka Resource Management Plan and its amendments, and is consistent with the plans and policies of neighboring local, county, state, and federal agencies and governments. Although Eureka County, through coordination with the BLM and the project proponent, has determined that the proposed project is substantially consistent with the policies in Eureka County's Master Plan, some of the components of the proposed project could prove inconsistent with these plans and policies as described in Section 1.5.2 of the EA.

FINDING OF NO SIGNIFICANT IMPACT

I have reviewed Environmental Assessment DOI-BLM-NV-B010-2012-0047-EA, dated October 2012. After consideration of the environmental effects, as described in the EA and incorporated herein, I have determined that the Proposed Action, with the project design specifications including adopted environmental protection measures and required mitigation measures identified in the EA, will not significantly affect the quality of the human environment and that an Environmental Impact Statement is not required to be prepared.

This finding and conclusion are based on consideration of the Council on Environmental Quality's (CEQ) criteria for significance (40 CFR 1508.27), both with regard to the context and the intensity of impacts described in the EA and summarized below.

CONTEXT

Homestake Mining Company of California (Homestake), a wholly owned subsidiary of Barrick Gold Corporation (Barrick) submitted to the BLM and the Nevada Division of Environmental Protection (NDEP) Bureau of Mining Regulation and Reclamation (BMRR) an Amendment to the Plan of Operation and Nevada Reclamation Permit (Record Number NVN-067762/Reclamation Permit No. 0107) (Plan) to expand an existing open pit gold and silver mining and processing operation. The proposed expansion, which has been analyzed in the EA as the Proposed Action, would utilize the existing primary and secondary crushers, solution processing plant, and ancillary support facilities. The Plan includes the following activities: expansion of the existing open pit and pit activity area (PAA); lowering of the final pit bottom by 240 feet to 5,100 feet amsl; inclusion of a conceptual process pond for future fluid management of the heap drain down flows during closure; realignment of portions of the existing perimeter fence associated with the open pit expansion; increasing the authorized acreage of surface exploration related disturbance; expansion of the Class III landfill; and the establishment of a flexible mining and ore hauling timeline based on mining rates and economic conditions .

Expansion activities would disturb approximately 34.3 acres of additional BLM-administered public land and approximately 72.3 acres of additional private land for a proposed surface disturbance total of 106.6 acres. The total of the existing and proposed surface disturbance for the Project would be 1,742.4 acres within the existing Project Area.

Pursuant to the National Environmental Policy Act (NEPA) and the Council on Environmental Quality (CEQ) regulations on implementing NEPA, the EA identifies, describes, and evaluates resource protection measures that would mitigate the possible impacts of the proposed project. The short and long-term impacts as disclosed in the EA are not considered to be significant to the human environment. The short-term impacts from implementation of the Proposed Action are local; they are not regional or national in nature. The long-term impacts resulting from the Proposed Action will be mitigated by ongoing reclamation during the life of the project and final reclamation upon completion of the project.

INTENSITY

1. Impacts that may be both beneficial and adverse.

The EA considered impacts that may be both beneficial and adverse through the analysis of direct, indirect, and cumulative impacts of the Proposed Action. The impacts are described in detail in Chapter 3 and Chapter 4 of the EA.

Beneficial impacts include the socioeconomic effects to the local and national economy resulting from the extraction of economically recoverable gold and other minerals. Homestake would maintain the current workforce of approximately 147 employees for mining and processing operations and concurrent reclamation through approximately 2016.

Adverse Impacts would be avoided or minimized by operations and reclamation measures committed to by Homestake, which are presented as part of the Proposed Action in Chapter 2. Additionally, reclamation and revegetation of the project disturbance would gradually reestablish soils, vegetation cover and wildlife habitat.

None of the environmental impacts discussed in detail in Chapter 3 or 4 of the EA are considered significant.

2. *The degree to which the proposed action affects public health and safety.*

The effects of the Proposed Action on both employees and public health and safety are considered to be positive. Compliance by Homestake with both BLM and NDEP mining regulations, along with compliance with the Mine Safety and Health Administrations' regulations will ensure employee and public safety.

Through adherence to applicant-committed environmental protection measures, and Best Management Practices (BMPs), the Proposed Action will not result in potentially substantial or adverse impacts to public health and safety. Public safety would be maintained throughout the life of the project. Homestake would commit to the following environmental protection measures to ensure public health and safety.

- All equipment and other facilities would be maintained in a safe and orderly manner.
- Personnel working at the site will keep the occasional public out of operational areas by maintaining posted signs and ensuring all visitors check-in at the office trailer upon arrival on-site.
- All trenches, sumps, and other small excavations that pose a hazard or nuisance to the public, wildlife, or livestock will be adequately fenced to preclude access to them.
- The Project will not use pesticides or herbicides, therefore would not pose a health or human safety risk.
- Existing roads within the project boundary that are disturbed during the proposed action will be reclaimed to their pre-disturbance condition in order to provide continued public access through the area. Unpaved roads are well maintained and accommodate two-lane traffic to and from the project area.
- Unpaved roads are well maintained and accommodate two-lane traffic to and from the project area.
- Trash will be contained and hauled to an approved landfill.
- Only nontoxic fluids would be used in the drilling process.
- Emissions of fugitive dust from disturbed surfaces would be minimized by utilizing appropriate control measures.

3. *Unique characteristics of the geographic area such as proximity of historic or cultural resources, park lands, prime farmlands, wetlands, wild and scenic rivers, or ecologically critical areas.*

The Ruby Hill Project (Project) is an existing mining operation located approximately 0.7 mile northwest of the town of Eureka, Nevada. Access to the Project Area is provided by an existing road off U.S. Highway 50. There are no park lands, prime farmlands, wild and scenic rivers, or ecologically critical areas in the vicinity.

The Project Area includes approximately 8,411 acres that consist of approximately 3,015 acres of private land owned by Barrick and operated by Homestake, and approximately 5,396 acres of public land administered by the Bureau of Land management (BLM) Battle Mountain District, Mount Lewis Field Office (MLFO).

There are known cultural resources located within the Project Area. All known National Register of Historic Places (NRHP) eligible and unevaluated cultural resource sites will be avoided. In order to avoid known cultural sites, Homestake will submit an annual work plan to the BLM. Homestake will ensure that known cultural sites within the area of proposed phase surface disturbance are mapped by a qualified cultural resource specialist with a GPS unit prior to surface disturbance, and a summary report of that mapping will be provided to the BLM by the cultural resource specialist. The BLM will review the proposed locations of the surface disturbance and notify Homestake if the locations overlap with any cultural sites. If a cultural site is located within the area of proposed disturbance, the identified cultural site(s) will be avoided or re-evaluated.

The entire Project Area falls within greater sage-grouse summer and nesting habitat and the western half of the Project Area is considered suitable winter habitat for greater sage-grouse (NDOW 2011a). However, the existing disturbance and active mining are likely to preclude the use by greater sage-grouse in the Project Area. Additionally, there is no preliminary priority habitat located within the Project Area and approximately 2,402 acres of preliminary general habitat (PGH) located within the Project Area. None of the areas identified as PGH within the Project Area is subject to proposed disturbance from the expansion of the mine facilities; however, exploration drilling may occur in these areas as approved through previous decisions.

There are no park lands, prime farmlands, wetlands, wild and scenic rivers, or ecologically critical areas in the vicinity of the Project.

4. The degree to which the effects on the quality of the human environment are likely to be highly controversial.

The Proposed Action is not expected to have highly controversial effects on the quality of the human environment. The parameters of the exploration activities, along with associated reclamation of the drill holes, drill pads and sumps, roads, and ancillary facilities are well established. The Project Area is isolated from human habitations. Except for mineral exploration and mining, the Project Area is typically uninhabited. Eureka, the nearest town, is 0.7 mile from the Project Area. Reclamation is intended to return the land to its pre-exploration uses of livestock grazing, mineral exploration, dispersed recreation, and wildlife habitat.

The EA was released for a 30-day public comment period, ending September 10, 2012 and the BLM received 3 comments letters totaling 34 individual comments. The comments and the BLM's responses to comments were incorporated into the EA as Appendix A. A consultation, initiation, and notification letter for the Proposed Action was mailed from the MLFO to four Native American tribes on March 14, 2012. No comments specific to the Proposed Action were received as a result of the tribal coordination.

5. The degree to which the possible effects on the human environment are highly uncertain or involve unique or unknown risks.

There are no known effects of the Proposed Action identified in the EA that are considered highly uncertain or involve unique or unknown risks. This is demonstrated through the effects analysis in Chapters 3 and 4 of the EA.

6. *The degree to which the action may establish a precedent for future actions with significant effects or represents a decision in principle about a future consideration.*

The Proposed Action will not establish a precedent for future actions with significant effects or represent a decision about a future consideration. Completion of the EA does not establish a precedent for other assessments or authorization of other exploration or development projects including additional actions at the Ruby Hill Project site. Any future projects within the area or in surrounding areas will be analyzed on their own merits, independent of the actions currently selected.

7. *Whether the action is related to other actions with individually insignificant but cumulatively significant impacts.*

Direct and indirect impacts of the Proposed Action were analyzed in Chapter 3 of the EA. None of the environmental impacts analyzed in detail in Chapter 3 of the EA are considered significant. Past, present and reasonably foreseeable future actions have been considered in combination with the Proposed Action in the cumulative impacts analysis within Chapter 4 of the EA. The cumulative impacts analysis examined all of the other appropriate actions and determined that the Proposed Action would not incrementally contribute to significant impacts. In addition, for any actions that might be proposed in the future, further environmental analysis, including assessment of cumulative impacts, would be required.

8. *The degree to which the action may adversely affect districts, sites, highways, structures, or objects listed in or eligible for listing in the National Register of Historic Places or may cause loss or destruction of significant scientific, cultural, or historic resources.*

In 2011, Kautz Environmental Consultants, Inc (Kautz) conducted a Class III cultural resource inventory within a 3,437-acre block entirely contained within the boundary of the Baseline Study Area (Kautz 2012), as defined in the *Ruby Hill Mine Expansion – East Archimede Project Final SEIS (BLM 2005)*, which incorporated several previous surveys within the Project Area. A total of 252 archaeological sites, both historic and prehistoric, were identified and recorded during this inventory, including 171 newly identified sites and 81 previously recorded sites (50 previously recorded sites were not relocated). The entire block was identified as being located within the Eureka Historic District. All of these sites are currently unevaluated.

Two of the unevaluated sites are within the currently proposed expansion area. Only one of the sites is recommended as eligible for listing in the National Register of Historic Places (NRHP) under criteria A (sites that are associated with events that have made a significant contribution to the broad patterns of our history) and D (sites that have yielded or may be likely to yield, information important in history or prehistory) (NPS 1990). The BLM has reviewed these recommendations and has referred them to the State Historic Preservation Office (SHPO) for concurrence. Once concurrence has been made by SHPO, the BLM can make a formal determination of NRHP eligibility for the site and determine project effects per Section 106 of the National Historic Preservation Act of 1966 (NHPA). It is not critical that this formal determination is made prior to a decision on the Proposed Action as all eligible and unevaluated sites would be avoided as described in Section 2.1.12 of the EA.

Homestake entered into a Programmatic Agreement (PA) in 1995 with the BLM, SHPO, and the Advisory Council on Historic Preservation (ACHP) regarding the management of cultural resources during mineral development and exploration activities at Ruby Hill. The PA identified

measures on how to implement Section 106 of the NHPA for sites eligible for listing in the NRHP and unevaluated sites that may be eligible for listing. Stipulations are included in the PA for the following: identification; resolving eligibility; treatment; discovery situations; other considerations; reporting and monitoring; notices to proceed; time frames; surety bonds; dispute resolution; amendment; termination; and execution.

Homestake has committed to avoid, or mitigate impacts to, all known eligible and potentially eligible sites, as described in the Plan. In order to avoid all known cultural sites, Homestake would submit an annual work plan to the BLM. Homestake would ensure that known cultural sites within the area of proposed phase surface disturbance are mapped by a qualified cultural resource specialist with a GPS unit prior to surface disturbance, and a summary report of that mapping would be provided to the BLM by the cultural resource specialist. There are no other districts, sites, highways, structures, or objects listed in or eligible for listing in the NRHP within the Project Area. There are no significant scientific, cultural, or historical resources that will be lost or destroyed by the exploration and mining project. If Homestake discovers any cultural or paleontological resource during project activities that might be altered or destroyed by operations, the discovery would be left intact and reported to the authorized BLM officer.

9. *The degree to which the action may adversely affect an endangered or threatened species or its habitat that has been determined to be critical under the Endangered Species Act (ESA) of 1973.*

No federally-listed, threatened, or endangered species would be impacted because none of these species are known to occur within the Project Area. No Threatened and Endangered Species were observed during baseline surveys.

The Nevada Natural Heritage Program (NNHP) response letter, dated September 1, 2011, reported in a five kilometer radius search surrounding the townships and ranges of the Project Area, there were no at risk or federally listed species occurrences recorded. The Nevada Department of Wildlife (NDOW) response letter, dated September 12, 2011, reported there were no federally listed species that are known to occur in the Project Area (NDOW 2011a). The U.S. Fish and Wildlife Service (USFWS) response letter, dated September 8, 2011, reported there were no known listed species that occur in the Project Area (USFWS 2011).

SRK Consulting (SRK), the NDOW, NNHP, and BLM have identified that various BLM sensitive mammal, raptor, bird, and bat species have the potential to occur within the Project Area. The NNHP has identified habitat for the Lahontan beardtongue (*Penstemon palmeri* var. *macranthus*), a BLM special status plant species. In addition, the NNHP identified that habitat exists for the western yellow-billed cuckoo (*Coccyzus americanus occidentalis*), a candidate species (NNHP 2011) and BLM sensitive species.

Potential habitat for Special Status Species is known to occur in the Project Area including Greater sage-grouse, pygmy rabbits, and migratory bird species. None of the species of concern were observed during baseline surveys. According to the NDOW, ferruginous hawk (*buteo regalis*), golden eagle, Swainson's hawk (*Buteo swainsoni*), golden eagle (*Aquila chrysaetos*), peregrine falcon (*Falco peregrinus*), big-eared bat (*Corynorhinus townsendii*) may be present in the Project Area. According to NDOW, greater sage grouse may occur within the project area. American pika (*Ochotona princeps*) are found in the foothills and mountains. They eat a variety

of plants, mainly grasses and sedges. This species has the potential to occur within the foothills of the Project Area (SRK 2011a).

The NDOW and BLM have noted that several sensitive raptor species may utilize habitat within the Project Area and include ferruginous hawk, northern goshawk (*Accipiter gentilis*), peregrine falcon, and golden eagle (*Aquila chrysaetos*). The NDOW also indicated that habitat exists within the Project Area for the western burrowing owl (*Athene cunicularia hypugaea*) (NDOW 2011a). Other BLM sensitive birds species that have potential habitat may occur within the Project Area for the Townsend's big-eared bat (*Corynorhinus towsendii*) western small-footed myotis (*Myotis ciliolabrum*) (NNHP 2011). Additional bat species that are known to exist based on previous surveys within the Project Area include big brown bats (*Eptesicus fuscus*) and long-legged myotis (*Myotis volans*). The NNHP (September 1, 2011) stated that habitat for Lahontan beardtongue, a BLM sensitive plant species, may also exist within the Project Area.

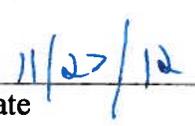
Impacts to special status species or their habitats from the Proposed Action would be minimal, based on implementation of the applicant committed environmental protection measures outlined in Section 2.1.14 of the EA and mitigation outlined in the ROD for the original Ruby Hill Project Final Environmental Impact Statement (NV64 EIS96.33) and the Ruby Hill Mine Expansion-East Archimedes Project Final Supplemental Environmental Impact Statement (NV063-EIS04-34). The Proposed Action compiles with the EA, in that potential effects of this decision on listed species have been analyzed and documented. The Proposed Action will not adversely affect any endangered or threatened species or its habitat that has been determined to be critical under the ESA of 1973, as amended.

10. Whether the action threatens a violation of Federal, State, or Local law or requirements imposed for the protection of the environment.

The Proposed Action will not violate or threatens to violate any federal, state, or local law or requirement imposed for the protection of the environment.



Christopher J. Cook
Field Manager
Mount Lewis Field Office



Date