

# STATE OF ALASKA

## DEPARTMENT OF NATURAL RESOURCES

### DIVISION OF MINING, LAND & WATER

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April 23, 2010

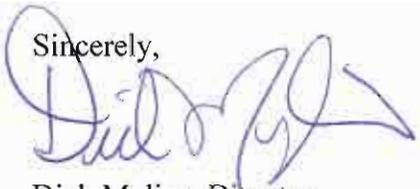
Mr. Ken Taylor  
Vice President, Environment  
The Pebble Partnership  
3201 C Street, Suite 604  
Anchorage, Alaska 99503

Dear Mr. Taylor:

On February 18, 2010, the Division of Mining, Land and Water (Division) received the Pebble Limited Partnership's (PLP) Pebble Project Water Withdrawal Plan. The Division finds that the Plan meets the requirements outlined in the February 11, 2010 Settlement Agreement and Release: Pebble Limited Partnership Unauthorized Water Withdrawal Violations, and the Plan is hereby accepted and approved. The Plan addresses all of the items in the Settlement Agreement, and if followed, the Plan will help PLP to ensure that it adheres to the requirements of its Temporary Water Use Permits. The State agencies will continue to conduct inspections of PLP's activities, including PLP's compliance with the terms of the Plan.

Effective April 23, 2010, the suspensions on the following permits are lifted: TWUPs A 2006-142 through A 2006-150, A 2009-21, A 2009-82 and A 2009-83; and MLUP A 096118. Pebble Limited Partnership must comply with all requirements of the original permits, the Settlement Agreement and the Pebble Project Water Withdrawal Plan.

Sincerely,



Dick Mylius, Director  
Division of Mining, Land and Water

CC: John Shively, CEO, Pebble Partnership  
Commissioner Tom Irwin  
Commissioner Denby Lloyd  
Attorney General Dan Sullivan  
Gary Prokosch, Chief, DNR, DMLW, Water Resources Section  
Rick Fredericksen, Chief, DNR, DMLW, Mining Section  
Tom Crafford, DNR Large Project Coordinator  
Ed Fogels, Director, DNR Office of Project Management and Permitting

*"Develop, Conserve, and Enhance Natural Resources for Present and Future Alaskans."*