Field Monitoring Report -- Pebble Copper/Gold Exploration Project --

Personnel: Rick Fredericksen (DNR/DMLW)	Inspection Date: 23 July 2008
Jim Vohden (DNR/DMLW)	Site Contact: Gernot Wober
Travis Gingerich (DNR/DMLW)	APMA #: A086118
Inspection Type:	■ Wildlife Observed:
 Complete: Drill rigs 1, 2, 3, & 4 were visited, several abandoned drill 	o Bear:
sites, one piezometer installation, and the Westbay installation	∘ Caribou:
o Partial:	o Moose:
○ Follow-up:	o Waterfowl:
 Response to Public Complaint: 	o Fish:
	\circ Other: marmot, red fox, robin
Weather Conditions:	
o Temperature: 50-60 degrees F	Water level at Frying Pan Lake:
 Wind: light to moderate 	o Observed inflow: not observed
o Precipitation: some light drizzle	o Observed outflow: not observed
o Visibility: 2-10 miles	
 Sky Conditions: cloudy, some sun 	
o Ground Conditions: clear, damp	

Comments: Overall the drill rigs were clean and orderly. Fuel spill containment measures were in place. Containment basins generally clean and dry. All drilling operations appeared to be in compliance with associated water use and withdrawal permits. Inspected long term geochemical barrel tests in place near medical camp, as well as piezometer GH08-112.

Recommendations: Prior to site visits, provide staff with updated operations map and inform staff of any new developments or changes in operational plans

Actions Needed: Still need to follow up on abandoned sites 7362 and 7389 to ensure the drill holes are cemented and capped and that the reclamation process is complete. Future site visits should include other abandoned sites as well.

Drill Hole/Site No.: 8414	Rig No.: 1
Activity: Operational, at ~4300' depth	Date: 23 July 2008
Condition of Drilling Site:	Sump Pit (continued):
 Distance from waterbody: >100' 	 Location and extent of discharged material:
\circ Location of fuel storage: near pad	\circ Topsoil, muck, tundra stockpiled: yes
 Sorbent pads present: yes 	 Location of secondary sump pit: adjacent
$_{\odot}$ Tundra mat: in place, pallets also used	o Hose color: white
 Pipe off tundra: yes 	
o Litter: none	Drill Water Supply:
o Trash containment: yes	 Stream, lake, kettle pond: stream, 3' wide, 6" deep
 Sanitary facilities: yes 	$_{\odot}$ Location: +/- 500' from drill rig
o Any spills or staining: none	 Adequate water flow and depth for fish passage in streams:
 General impression: clean and orderly, but spread out. Marmot seen near site. 	 Evidence of significant impacts to riparian vegetation or stream banks: none
	\circ Relative water level: normal
Drilling Activity:	 General impression of water body, i.e. clear, turbid, tannic: clean
\circ Drill additives in use: EZ Mud Plus	o Intake structure: present
o Water recirculation: yes	$_{\odot}$ Structure clear of debris: yes
o Water discharged: yes	\circ Mesh size: ~1/4", inner mesh ~1/8"
o Artesian zone encountered: "sometimes"	o Submerged: yes, 5"
	 Pump location to source: >100'
Sump Pit:	 Catch basin for fuel supply: yes, clean and dry
o Location: near rig	 Sorbent pads: present
o Discharge trench: yes	$_{\odot}$ Hose color: yellow w/black insulation
o Dimensions of pit: 5'x7' and 3'x8'	
o In use: yes	

Drill Hole/Site No.: 8419	Rig No.: 2
Activity: operational, at ~260' depth	Date: 23 July 2008
Condition of Drilling Site:	Sump Pit (continued):
 Distance from waterbody: >100' 	 Location and extent of discharged material: 6" line goes from Godwin
 Location of fuel storage: on pad 	pump several hundred feet to top of hill for dispersal
 Sorbent pads present: yes 	\circ Topsoil, muck, tundra stockpiled: yes
o Tundra mat: yes	o Location of secondary sump pit: NA
 Pipe off tundra: yes 	o Hose color: white
o Litter: none	
o Trash containment: yes	Drill Water Supply:
 Sanitary facilities: yes 	 Stream, lake, kettle pond: small surface water flow/seep
o Any spills or staining: none	o Location: nearby
o General impression: clean and orderly	 Adequate water flow and depth for fish passage in streams: NA Evidence of significant impacts to riparian vegetation or stream banks: none
Drilling Activity:	 Relative water level: normal
o Drill additives in use: yes	 General impression of water body, i.e. clear, turbid, tannic: clear
o Water recirculation: yes	o Intake structure: present, purple lid
o Water discharged: yes	o Structure clear of debris: yes
o Artesian zone encountered: NA	o Mesh size: not measured
	o Submerged: partially
■ Sump Pit:	 Pump location to source: >100'
o Location: near rig	\circ Catch basin for fuel supply: yes
o Discharge trench: yes	 Sorbent pads: yes
o Dimensions of pit: approx. 5'x8'	o Hose color: yellow
o In use: yes	

Drill Hole/Site No.: 8416	Rig No.: 3
Activity: just completed hole to 5007', rods on deck/demobilizing	Date: 23 July 2008
Condition of Drilling Site:	■ Sump Pit (continued):
 Distance from waterbody: >100' 	 Location and extent of discharged material: NA
 Location of fuel storage: on pad 	\circ Topsoil, muck, tundra stockpiled: yes
$_{\odot}$ Sorbent pads present: yes, in shed	o Location of secondary sump pit: NA
o Tundra mat: yes	o Hose color: black
 Pipe off tundra: yes 	
o Litter: none	Drill Water Supply:
o Trash containment: yes	 Stream, lake, kettle pond: kettle pond, has beaver lodge in it
 Sanitary facilities: yes 	◦ Location: >100'
o Any spills or staining: none	 Adequate water flow and depth for fish passage in streams: NA
\circ General impression: neat and orderly	 Evidence of significant impacts to riparian vegetation or stream banks: none
	o Relative water level: normal
Drilling Activity:	 General impression of water body, i.e. clear, turbid, tannic: clear
\circ Drill additives in use: yes	o Intake structure: yes
o Water recirculation: yes	$_{\odot}$ Structure clear of debris: yes
o Water discharged: yes	o Mesh size: NA
 Artesian zone encountered: some artesian flow but it ceased on further drilling 	o Submerged: approx. 6"
	 Pump location to source: >100'
Sump Pit:	$_{\odot}$ Catch basin for fuel supply: clean and dry
o Location: near pad	o Sorbent pads: yes
o Discharge trench: yes	$_{\odot}$ Hose color: yellow with black insulation
$_{\odot}$ Dimensions of pit: three pits, approx. 5'x5'	
o In use: yes	

Drill Hole/Site No.: 8417	Rig No.: 4
Activity: operational, at ~1470' depth	Date: 23 July 2008
Condition of Drilling Site:	Sump Pit (continued):
 Distance from waterbody: >100' 	 Location and extent of discharged material: hilltop several hundred feet away
 Location of fuel storage: on pad 	$_{\odot}$ Topsoil, muck, tundra stockpiled: yes
 Sorbent pads present: yes 	 Location of secondary sump pit: adjacent some minor overflow residue
o Tundra mat: yes	 Hose color: white; small hole in hose with leak approx. 100' from rig
 Pipe off tundra: yes 	
o Litter: none	Drill Water Supply:
o Trash containment: yes	\circ Stream, lake, kettle pond: well
o Sanitary facilities: yes	\circ Location: downhill in valley
 Any spills or staining: none 	 Adequate water flow and depth for fish passage in streams: NA
$_{\odot}$ General impression: clean and orderly	 Evidence of significant impacts to riparian vegetation or stream banks: NA
	\circ Relative water level: NA
Drilling Activity:	 General impression of water body, i.e. clear, turbid, tannic: NA
\circ Drill additives in use: EZ Mud Plus	o Intake structure: NA
o Water recirculation: yes	$_{\odot}$ Structure clear of debris: NA
o Water discharged: yes	o Mesh size: NA
o Artesian zone encountered: none	o Submerged: NA
	\circ Pump location to source: NA
■ Sump Pit:	\circ Catch basin for fuel supply: yes
o Location: near rig	 Sorbent pads: yes
o Discharge trench: yes	o Hose color: black
o Dimensions of pit: two pits, approx. 7'x7'	
o In use: yes	

Abandoned Drill Hole/Site No.:	5316
--------------------------------	------

- Plugged: yes
- Cemented: NA
- Standing pipe: none
- Sump pit filled in: yes
- Water discharge trench filled in: yes
- Site revegetated: yes
- Artesian water present: no
- Any spills or staining: no
- Comments/General impression: reclaimed nicely, dry, no pipe visible.



Abandoned Drill Hole/Site No.: 7388	Date: 23 July 2008
■ Plugged: yes	
Cemented: NA	
■ Standing pipe: none	
Sump pit filled in: yes	
Water discharge trench filled in: yes	
■ Site revegetated: yes, fresh straw on site	
Artesian water present: no	
Any spills or staining: none	

Comments/General impression: appears to have been reseeded recently; no pipe visible.



Abandoned Drill Hole/Site No.: 6338

- Plugged: yes
- Cemented: yes
- Standing pipe: yes, sticks up 8"
- Sump pit filled in: yes
- Water discharge trench filled in: yes
- Site revegetated: yes, good growth around a very clean site, no sign of disturbance
- Artesian water present: no
- Any spills or staining: none
- Comments/General impression: nicely reclaimed.



Abandoned Drill Hole/Site No.: 5324	Date: 23 July 2008
■ Plugged: yes	
Cemented: NA	
■ Standing pipe: none	
■ Sump pit filled in: yes	
Water discharge trench filled in: yes	
■ Site revegetated: yes	
Artesian water present: no	
Any spills or staining: none	
Comments/General impression: reclaimed nicely	

(no photo)



Figure 1. Drill Rig 1.



Figure 2. Drill rig 2.



Figure 3. Fuel storage at drill rig 2.



Figure 4. Water intake for drill rig 2.



Figure 5. Drill discharge line from drill rig 2.

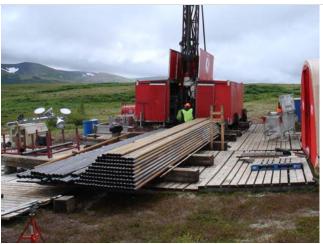


Figure 6. Drill rig 3.



Figure 7. Godwin pump for drilling fluids at drill rig 3.



Figure 8. Water supply for drill rig 3.



Figure 9. Long-term geochemial barrel tests.



Figure 10. Westbay multi-level sampling well installation.