

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF MINING, LAND and WATER

SEAN PARNELL
GOVERNOR

3700 AIRPORT WAY
FAIRBANKS, AK 99709-4699
PHONE: (907) 451-2788
FAX: (907) 451-2703
EMAIL: brent.martellaro@alaska.gov

POGO INSPECTION REPORT

Inspection Date: May 11, 2010
Weather: Windy, Cloudy, 50 degrees F.
Time of Inspection: 8:30 am to 3:00 pm
Operator Contact: Stacy Staley, Larry Davey, Todd Roth, Sally McLeod, Mike Carney, Makoto Umedera, Ben Farnham – Sumitomo Pogo
Agency Personnel: Brent Martellaro, Stephanie Lovell – ADNRR; Tim Pilon, Pete McGee – ADEC; Jack Winters – ADF&G; Lisa Harbo - OED
Inspection Objectives: General Inspection of Mine Site

Agency personnel arrived at the Pogo road gate at approximately 8:30 a.m. The road into the mine site was in good condition and much of the road was recently graded. Some stretches of the road produced significant dust due to dry conditions (Photo 1). Crews were conducting road maintenance and additional capping throughout the first part of the road. Pogo intends to complete new surfacing of the first 23 miles this year.

Rock berms have been constructed along many segments of the road because of new MSHA requirements. Pogo had been exempt from this requirement, but a recent determination by MSHA now considers the road a “mine” road because of its exclusive use provisions within the state permits. Pogo will continue berm construction over the next few years on areas where a “rollover” potential exists. The constructed berms result in reduced road surface width especially in segments where both sides require them (Photo 2).

Jack Winters noted that sediment traps on some bridges needed maintenance. A pump inspected at Shaw Creek did not have an approved fish screen (Photo 3).

We arrived at the Pogo mine site at 10:00 am. Pogo personnel conducted site-specific training and summarized recent projects. Larry Davey introduced us to Todd Roth, his replacement on this day as the new General Manager. Recent work included establishment of the new lower camp (Photo 4) and ongoing evaluations to provide secondary containment methods for the large CIP Tank, Slurry Lines from the mill, smaller Slurry Tanks, and the Ore Conveyor tube house, “Splice House,” near the 1690 portal.

Placement of mineralized waste rock continues on the Drystack in 6-foot lifts, with a minimum of 50 feet from the outer edge. The tailings placement “encapsulates” the mineralized waste in 2-foot lifts (Photo 5 and 6). The extension of finger drains to the final height of the Drystack facility were completed (Photo 7).

The peak of spring runoff has past and very little water flowed through the diversion ditch on the east side of the dry stack (Photo 8). The grouted segment of the ditch successfully carried the water

below the Drystack until it disappeared into the ungrouted fractured bedrock. It is likely that some of this water reports to the RTP via the springs that surface in the hillside just above the RTP.

In the headwaters of Liese Creek above the Drystack, overflow ice required excavation to channel water into the diversion ditch along the west side of the dry stack (Photo 9). This combined with last year's grouting efforts seem successful in transferring water to the spillway of the RTP (Photo 10). Consequently there appears to be surface water flowing in Liese Creek from the toe of the RTP dam to the main mine access road (Photo 11).

The water level in the RTP is quite low considering the post runoff time of year (Photo 12). While the low snowfall this past winter may be much of the reason, the successful diversion of water around the Drystack and RTP is contributing to the control of water balance.

Other facilities we visited include the storm water settling pond and areas requiring secondary containment that is currently being evaluated.

Conclusions

Operations continue to be conducted in a manner consistent with the terms of the Plan of Operations Approval. Dumps, stockpiles, and haul roads appear maintained in a stable configuration that minimizes the potential for erosion. Recent efforts to address water balance issues appear to have been successful.

Close-Out Meeting

A closeout meeting was held to discuss agency observations.

- Discussions included the dusty conditions on the Pogo road and mine site. Pogo has plans to continue spraying calcium chloride on road areas of new surfacing and where needed. This may require a Temporary Water Use Permit; the company submitted an application to take up to 35,000 GPD from Gilles Creek from May 17th to July 20th.
- Jack Winters discussed the need to keep the bridge sediment traps clean and to provide a ¼ inch mesh screen on the intake of the pump at Shaw Creek.

Action Items – None.



Photo 1 – Shaw Creek Bridge



Photo 2 – Newly Constructed Berms



Photo 3 – Pump Intake Line at Shaw Creek



Photo 4 – Lower Camp



Photo 5 – Mineralized Waste Rock on Drystack



Photo 6 – Drystack - Compacted Tailings with Mineralized Rock in the Center



Photo 7 – Drystack Viewed From Diversion Ditch in Upper Liese Creek



Photo 8 – East Diversion Ditch



Photo 9 – Overflow from Upper Liese Creek into West Diversion Ditch



Photo 10 – Water in RTP Spillway from West Diversion Ditch



Photo 11 – Liese Creek at Main Mine Road



Photo 12 – RTP



Photo 13 – Never Polka With a Porcupine!

cc: Ed Fogels, ADNR, Anchorage
Tom Crafford, ADNR, Anchorage
Rick Fredericksen, ADNR, Anchorage
Jack Dimarchi, OPMP, Fairbanks
Steve McGroarty, ADNR, Fairbanks
Jim Vohden, ADNR, Fairbanks
Tim Pilon, ADEC, Fairbanks
Pete McGee, ADEC, Fairbanks
Jack Winters, ADFG, Fairbanks
Cam Leonard, AGO, Fairbanks
Sally McLeod, Sumitomo Pogo, Fairbanks
Don Ross, ACOE, Anchorage
Chris Milles, ADNR, Fairbanks
Rich Hughes, DCED, Fairbanks
Cyndi Godsey, EPA, Anchorage