

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF MINING, LAND AND WATER

File
SARAH PALIN, GOVERNOR

DIRECTOR'S OFFICE
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ANCHORAGE, ALASKA 99501-3579

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December 15, 2008

Teck-Pogo, Inc.
Pogo Mine Joint Venture
P.O. Box 145
Delta Junction, AK 99737
Attention: General Manager

Re: Extension of the Pogo Mine Plan of Operations Approval (F20039500)

Dear Mr. Davey,

We are in receipt of your letter to Jack DiMarchi dated 11-20-08, requesting an extension to the Pogo Mine Plan of Operations Approval (F20039500). The current Plan of Operations Approval expires on January 19, 2009.

We understand that ongoing studies regarding site precipitation, water quality monitoring, and the Pogo Mine hydrology, are likely to result in changes to the Plan of Operations and the Water Management Plan. In an email to Steve McGroarty on November 24, 2008, Mitchell Payes indicated your intent to incorporate new information from these studies into an updated Plan of Operations that will be submitted to the Mining Section by April 1, 2009.

We believe the updated Plan of Operations would benefit from the new information resulting from the ongoing studies. The Division of Mining, Land and Water therefore administratively extends the current Pogo Mine Plan of Operations Approval to June 30, 2009. Please be advised of the following updates to the Pogo Gold Mine Project Plan of Operations Approval (F200395):

1. The Authorized Officer. The Authorized Officer is designated as Rick Fredericksen. The Authorized Officer may be contacted at: Division of Mining, Land & Water, 550 West 7th Avenue, Suite 900D, Anchorage, Alaska 99501-2577, Attention: Rick Fredericksen, telephone (907) 269-8621, and fax (907) 269-8930 or rick.fredericksen@alaska.gov
2. Monitoring Plan. Monitoring results obtained during a reporting period shall be summarized and reported to the Authorized Officer quarterly, no later than 60 days after the last day of the quarter, in an electronic format acceptable to DNR. Electronic copies should also be sent to ADNR (Jim Vohden at jim.vohden@alaska.gov, Brent Martellaro at brent.martellaro@alaska.gov, and Steve McGroarty at


steve.mcgroarty@alaska.gov), ADF&G (Jack Winters at jack.winters@alaska.gov), and ADEC (Tim Pilon at tim.pilon@alaska.gov).

We have also received and initiated review of the Pogo Draft Reclamation and Closure Plan along with associated cost models. It is anticipated that the ongoing studies may affect the Reclamation and Closure Plan; however, it is our intent to complete this review in a timely manner so that appropriate bonding can be secured as soon as possible.

We hereby acknowledge receipt of your letter of December 8, 2008, where you provide an update to the addresses and phone numbers for notices or other communications under the Pogo Mine Millsite Lease (ADL No. 416949).

If this office can be of any additional service, do not hesitate to contact me at (907) 269-8625 or Rick Fredericksen at (907) 269-6621.

Sincerely,

A handwritten signature in black ink, appearing to read 'Richard Mylius', written over a horizontal line.

Richard Mylius, Director
Division of Mining, Land & Water

Cc: Tom Crafford, OPMP
Steve McGroarty, ADNR
Jim Vohden, ADNR
Tim Pilon, ADEC
Jack Dimarchi, OPMP

Rick Fredericksen, ADNR
Mac McLean, OHMP
Mitchell Payes, Teck Pogo