



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of Natural Resources

Division of Mining, Land & Water
Mining Resources Section

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September 19, 2013

Sally McLeod
Environmental Superintendent
Sumitomo Metal Mining Pogo LLC
P.O. Box 145
Delta Junction, AK 99737

Subject: Pogo Mine Plan of Operations (F20129500) Amendment Approval to Begin Mining East Deep Expansion

Dear Ms. McLeod,

The Division of Mining, Land and Water (DMLW) received correspondence from Sumitomo Metal Mining Pogo LLC (Pogo) dated June 27, 2013, requesting approval for a Plan of Operations Amendment to begin mining the East Deep Expansion. The request included submittal of the 2013 Pogo Plan of Operations (June 2013), Pogo Quality Assurance Plan (June 2013), Pogo Mine Monitoring Plan (June 2013), 2013 Preliminary Groundwater Model for Pogo Mine in Alaska (June 11, 2013) report, and Surface Paste Distribution Containment Pipeline System Sumitomo Metal Mining Pogo Mine (May 21, 2013) report.

The DMLW understands that with permission to begin mining the East Deep deposit, a bulk sample of East Deep ore will be fed to the mill and processed in order to complete a geochemical characterization.

Pogo has committed to the following schedule for final report submissions and study completions:

- Update of Drystack Tailings Facility Closure Plan Final Report by December 31, 2013,
- Hydrogeology Study and Groundwater Model Update completion by December 31, 2013,
- Proposed East Deep Paste Distribution System detailed design and drawings by January 31, 2014,
- Update of Underground Mine Closure Plan Final Report by March 31, 2014, and
- East Deep Underground Expansion Geochemical Characterization completion by June 30, 2014.

The DMLW understands Pogo will address the potential effect on the reclamation and closure bond after receiving the updated Drystack Tailings Facility and Underground Mine Closure Studies scheduled for completion above.

The DMLW has reviewed the proposed amendment and consulted with Alaska Departments of Environmental Conservation and Fish and Game.

The requested amendment to your Plan of Operations (F20129500) as described and illustrated in your June 27, 2013 proposal is hereby approved. Nothing in this decision changes the conditions of the original Plan of Operations Approval dated February 7, 2012. The associated facilities and portal of the East Deep expansion should be accounted for in the next update to the Pogo Reclamation and Closure Plan, and the closure cost estimate.

A person affected by this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received within 20 calendar days after the date of issuance of this decision, as defined in 11 AAC .2.040(c) and (d), and may be mailed or delivered to Daniel S. Sullivan, Commissioner, Department of Natural Resources, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska, 99501, faxed to 907-269-8918, or sent by electronic mail to dnr.appeals@alaska.gov. This decision takes effect immediately. If no appeal is filed by the appeal deadline, this decision becomes a final administrative order and decision of the department on the 31st day after issuance. An eligible person must first appeal this decision in accordance with 11 AAC 02 before appealing this decision to superior court. A copy of 11 AAC 02 may be obtained from any regional information office of the Department of Natural Resources.

If you have any questions regarding this approval, please contact Brent Martellaro at 907-451-2788.

Sincerely,


RUSSELL KIRKHAM
SIGNING FOR:
Scott Pexton
Mining Section Chief

cc:	Brent Martellaro, ADNR	Stephanie Lovell, ADNR
	Carolyn Curley, ADNR	Sharmon Stambaugh, ADNR
	Tim Pilon, ADEC	Pete McGee, ADEC
	Jack Winters, ADF&G	

*"To responsibly develop Alaska's resources by making them available for
Maximum use and benefit consistent with the public interest"*