

STATE OF NEVADA

Department of Conservation & Natural Resources

DIVISION OF ENVIRONMENTAL PROTECTION

Brian Sandoval, Governor

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Bureau of Mining Regulation and Reclamation

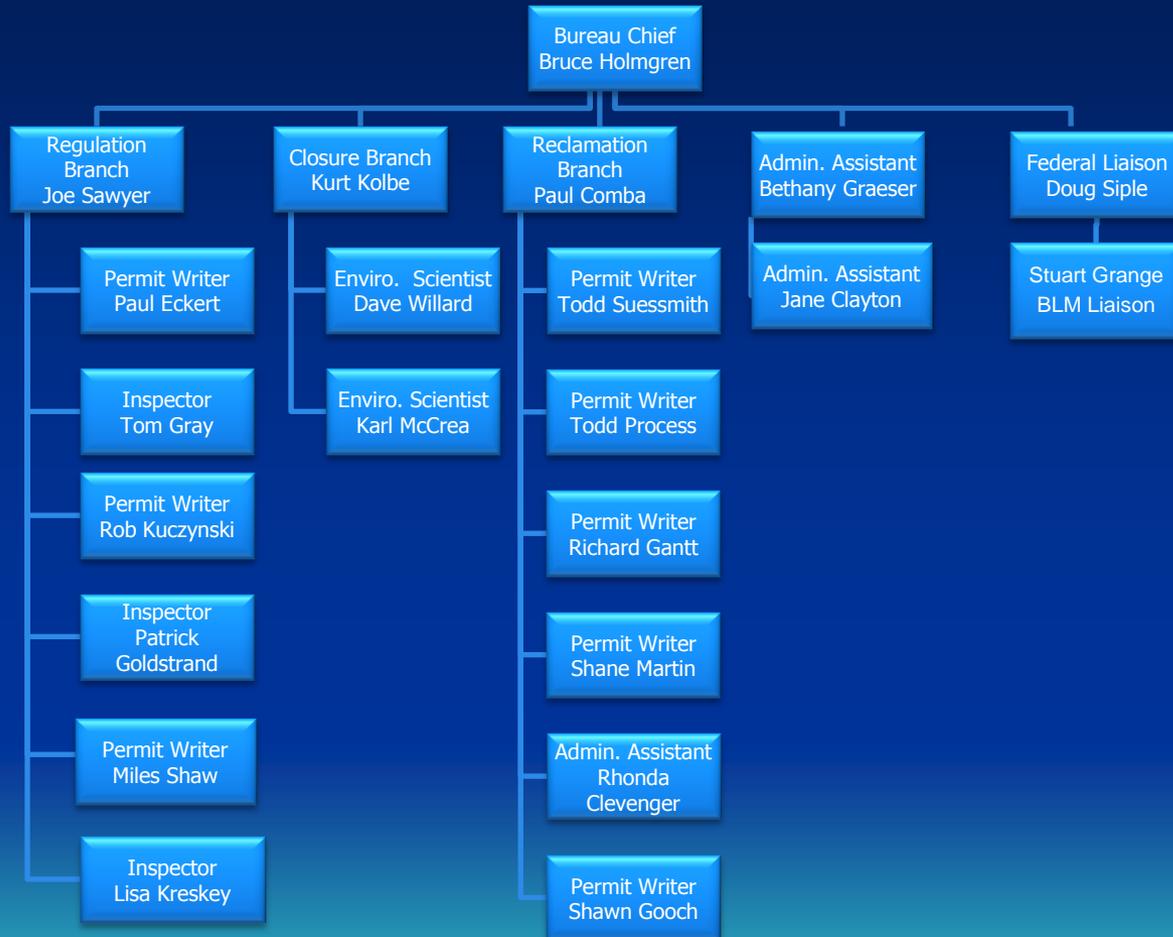
Bureau of Mining Regulation and Reclamation (BMRR)

- Originated in 1989 and has been created with three specialized regulatory Branches:
 - Regulation Branch – Issue Water Pollution Control Permits
 - Reclamation Branch – Issue Reclamation Permits
 - Closure Branch – Issue Water Pollution Control Closure Permits
- BMRR is funded with Regulation and Reclamation permit fees and operational modification fees

BMRR Mission

- Regulation Branch provides protection of “Waters of the State”
- Reclamation Branch ensures land disturbed by mining operations are reclaimed to safe and stable conditions to promote a productive post – mining land use

BMRR Organization Chart



Reclamation Regulations

- Nevada Revised Statutes
 - NRS 519A .010 to 519A.280
- Nevada Administrative Code
 - NRS 519A .010 to 519A.415

Regulations became effective October 1990

Reclamation Branch

Regulated Activities

- Exploration
 - Exploration disturbance activity greater than 5 acres
- Mining
 - Mining activities greater than 5 acres and/or extraction of 36,500 tons of material per year.

Reclamation Branch

Reclamation Defined

- "Reclamation" means actions performed during or after an exploration project or mining operation to shape, stabilize, re-vegetate or otherwise treat the land in order to return it to a safe, stable condition consistent with the establishment of a productive post-mining use of the land and the safe abandonment of a facility in a manner which ensures the public safety, as well as the encouragement of techniques which minimize the adverse visual effects.

Reclamation Regulations Applicability

All affected land which was disturbed on or after January 1, 1981, if the land was disturbed by the current operator, or if the current operator is using the affected land in an active project or operation

Reclamation Plan Application Requirements

- Applicant's Corporate Information
- Present existing and proposed disturbances
- Reclamation equipment-methods to reclaim-stabilize disturbances
- Estimated reclamation time schedule
- Detailed reclamation cost estimate
- Description of post-mining land use

Permitting Process

- Application reviewed
- Notice of Intent (NOI) to initiate public comment period
- Thirty day (30 day) public comment period
- Public comments are addressed
- A Notice of Final Decision (NOFD) issued
- Ten day appeal period
- Permit valid upon approval of acceptable surety (bond)

Reclamation Permit Requires Periodic Inspections

- Part of the original permitting process
- During operations to assure adherence to permit
- Verify earthwork completion
- Verify re-vegetation success after a minimum of three years of post seeding monitoring

Reclamation Cost Estimate Encompass

Earthwork and Re-vegetation Reclamation Activities

- Equipment Rental Rates
- Fuel-Maintenance costs for equipment operation
- Federal-Davis Bacon labor rates
- Additional add on costs
 - Liability insurance
 - Contract administration
 - Profit

Reclamation Surety

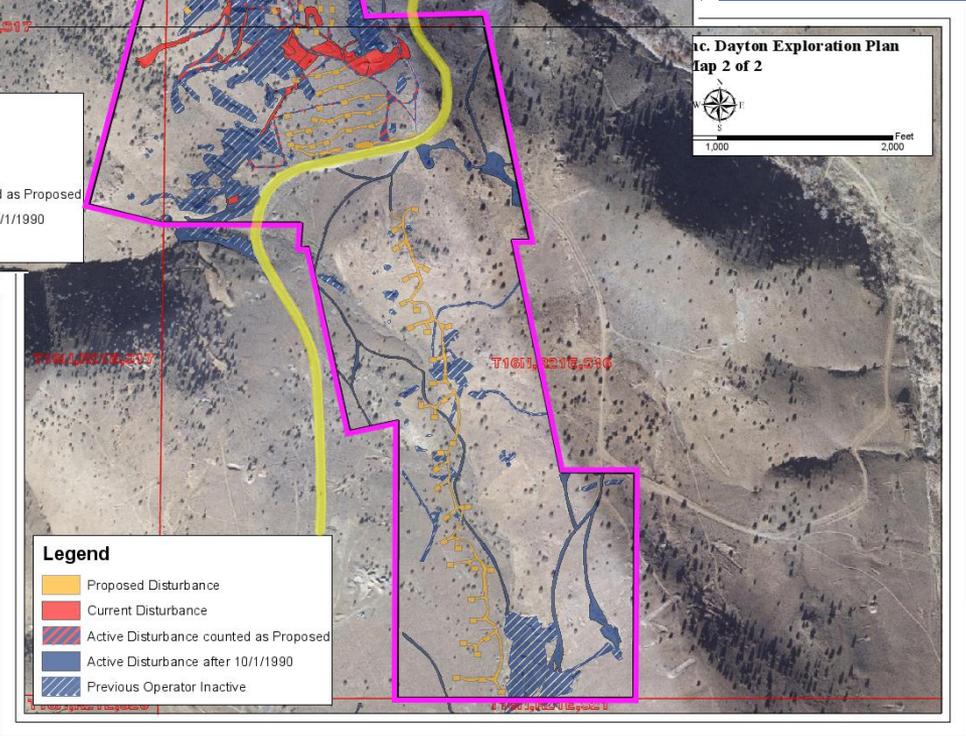
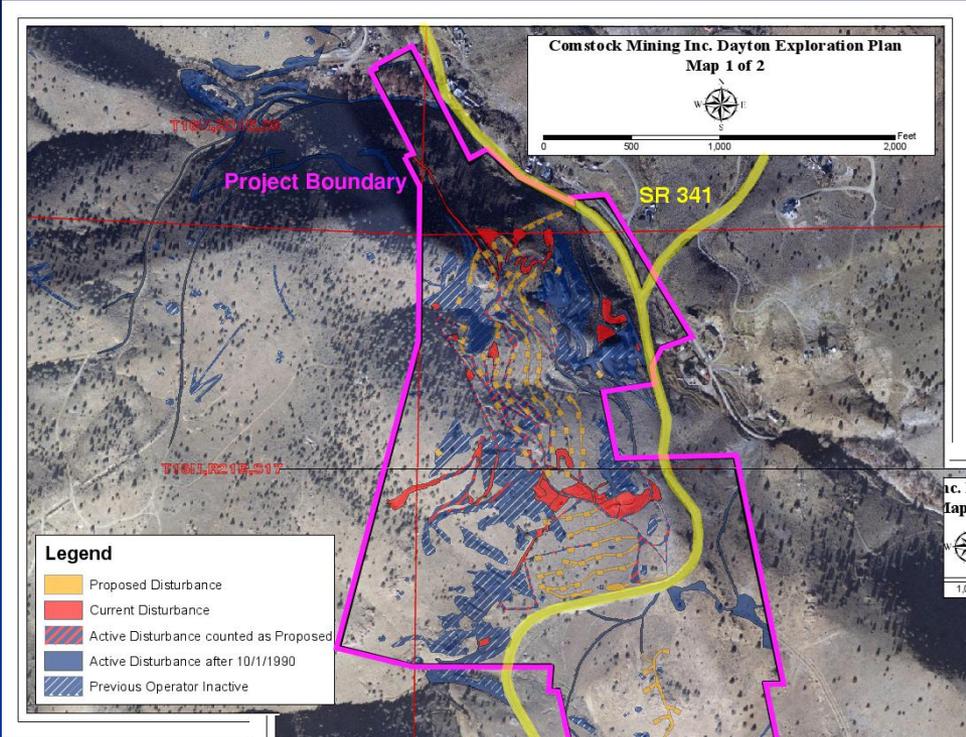
The reclamation cost estimate is financially secured with a posted surety. This surety amount provides assurance that the reclamation will be completed pursuant to the approved reclamation plan.

The total statewide surety amount held by both Federal and State agencies is currently at \$ 1.79 Billion dollars

Dayton Consolidated Exploration Project

Comstock Mining Inc. is the
reclamation permit applicant

Proposed activity is on private lands
controlled by Comstock Mining Inc.



Dayton Consolidated Exploration Project Disturbance Table

Exploration Category	Private Acres
Access Roads <30% slope	2.72
Access Roads >30% slope	0.75
Drill Pads w/sumps <30% slope	5.96
Drill Pads w/sumps >30% slope	3.70
Pre-existing Roads*	3.73
Super Sumps	1.20
Block Concept Exploration **	1.69
Total Disturbance	
Acreage	19.75

Dayton Consolidated Surety

- Nevada Standard Reclamation Cost Estimator
- Comstock Mining Inc. will post the Dayton Consolidated Exploration Project's reclamation cost estimate of \$106,936.00 equal to \$5,414.48 per acre
- This surety amount will be posted and held by NDEP- BMRR due to the private land status

Dayton Consolidated Exploration Specific Permit Requirements

Specific Requirements

A. The permittee shall submit to the Division – Bureau of Corrective Actions, Superfund Branch, for review and approval, a Sampling and Analysis plan (SAP) which includes a standard operating procedure in the Long Term Sampling and Response Plan (LTSRP) guidance document for exploration activities that may disturb mine wastes and/or mill tailings within the Carson River Mercury Superfund Site (CRMS). The Division approved SAP shall be implemented prior to any mineral exploration activities within the CRMS.

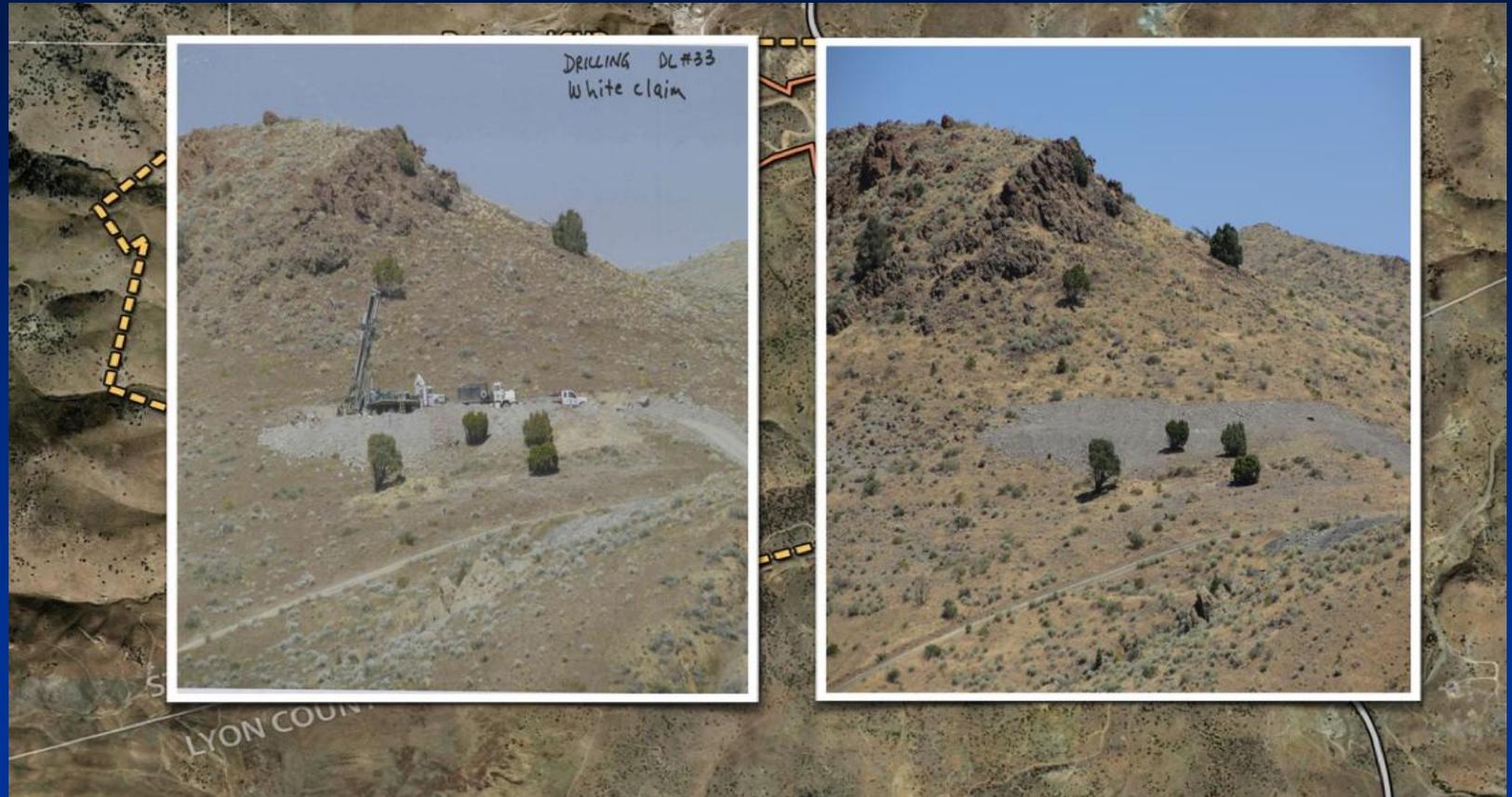
Dayton Consolidated Permit Schedule of Compliance Items

Schedule of Compliance

The permittee shall achieve compliance in accordance with the following schedule:

- A. On or before April 15th of every calendar year, Comstock Mining Inc. shall provide an “as built” disturbance map and summary report which accurately depicts the exploration status of the project as of December 31st of the prior year.

- B. On or before November 30th, 2011, the operator shall provide a site-specific base-line vegetation report.



Comstock Mining Concurrent Reclamation

Exploration Drill Pad Re-contour



Dayton Consolidated Exploration Project

Recent concurrent re-contouring earthwork on less than 30% slope



Dayton Consolidated Exploration Project

Straw mulch provides moisture retention and organic matter for re-vegetation success



Reclamation

Similar Nevada terrain with earthwork stability and re-vegetation established. The reclaimed area will require additional time for plant maturity and succession before surety release would be approved

Reclamation Performance must provide for Post Mining Land Use

- Acceptable post mining land uses
 - Cattle Grazing
 - Wildlife Habitat
 - Industrial – Business Park
 - Future Exploration – Mineral Development
 - Recreation



Questions?

Information

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