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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

August 6, 2014

Glenn Eurick
Kennecott Utah Copper LLC
4700 Daybreak Parkway
South Jordan, Utah 84095

Subject: Merging South Tailings in to North Tailings Permit, Kennecott Utah Copper LLC, Bingham Canyon Mine M/035/0002 and North Tailings Impoundment, M/035/0015, Salt Lake County, Utah

Dear Mr. Eurick:

In the meeting on July 15, 2014, you asked for clarification concerning the process for including the South Tailings Impoundment in the permit for the North Tailings Impoundment.

- The Notice of Intention to Commence Large Mining Operations (NOI) for the North Tailings Impoundment (M/035/0015) would need to be amended to include the South Tailings Impoundment (included in M/035/0002). Both areas are currently within permitted areas, so this modification would not result in any net change in impacts; raising the south impoundment dike would not be a significant change because this is consistent with the elevation of the north dike. The Division would consider this an amendment to the NOI for M/035/0015 not requiring advertisement or a public comment period.
- The Division asks that the updated NOI be formatted to correspond with the R647 rules.
- The financial guarantee for the Bingham Canyon mine, M/035/0002, is in the form of a contract with the Board of Oil, Gas and Mining (Board), so release of the South Tailings Impoundment would require their approval. At this time the Division would not recommend having the Board require another form of financial assurance for the Bingham Canyon NOI, M/035/0002. If or when the South Tailings Impoundment is redisturbed additional bond would be required for the NOI for M/035/0015.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

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I hope this adequately clarifies these issues, but please contact me at 801-538-5320, Paul Baker at 801-538-5261, or Leslie Heppler at 801-538-5257 if you have further questions.

Sincerely,

Dana Dean, PE
Associate Director of Mining

DD: pbb: eb
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