Ground Water Discharge and Construction Permit
Permit No. UGW010014

In compliance with the provisions of the Utah Water Quality Act, Title 19, Chapter 5, Utah Code Annotated 1953, as amended, the Act,

CS Mining, LLC
1208 South 200 West
P.O. Box 608
Milford, Utah 84751

hereafter referred to as the Permittee, is granted a Ground Water Discharge and Construction Permit for process water ponds and a tailings impoundment to support a copper mining and beneficiation operation in Beaver County. The process water ponds are located in the NW ¼ of Section 7, Township 27 South, Range 11 West, SLBM, and the tailings impoundment is located in the SW ¼ of Section 5, SE ¼ of Section 6, NE ¼ of Section 7 and the NW ¼ of Section 8, Township 27 South, Range 11 West, SLBM.

This permit is based on representation made by the Permittee and other information contained in the administrative record. It is the responsibility of the Permittee to read and understand all provisions of this permit.

The facility shall be constructed and operated in accordance with conditions set forth in the permit and the Utah Administrative Rules for Ground Water Quality Protection (UAC R317-6 and R317-1).

This permit shall become effective on __June 5__, 2014.

This permit and authorization to operate shall expire at midnight __June 5__, 2018.

Signed this __5__ day of June, 2014.

Leah Ann Lamb
Acting Director
TABLE OF CONTENTS

TABLE OF CONTENTS ............................................................................................................. ii

I. SPECIFIC CONDITIONS ........................................................................................................ 1
   A. GROUND WATER CLASSIFICATION ........................................................................... 1
   B. BACKGROUND GROUND WATER QUALITY .............................................................. 1
   C. GROUND WATER PROTECTION LEVELS .................................................................. 1
   D. BEST AVAILABLE TECHNOLOGY (BAT) STANDARD .............................................. 1
   E. COMPLIANCE MONITORING REQUIREMENTS ....................................................... 4
   F. NON-COMPLIANCE STATUS ...................................................................................... 6
   G. REPORTING REQUIREMENTS ..................................................................................... 8
   H. COMPLIANCE SCHEDULE ........................................................................................... 9

II. MONITORING, RECORDING AND REPORTING REQUIREMENTS ............................... 11
   A. REPRESENTATIVE SAMPLING .................................................................................... 11
   B. ANALYTICAL PROCEDURES ..................................................................................... 11
   C. PENALTIES FOR TAMPERING .................................................................................. 11
   D. REPORTING OF MONITORING RESULTS ............................................................... 11
   E. COMPLIANCE SCHEDULES ...................................................................................... 11
   F. ADDITIONAL MONITORING BY THE PERMITTEE .................................................... 11
   G. RECORDS CONTENTS .................................................................................................. 11
   H. RETENTION OF RECORDS ........................................................................................ 11
   I. TWENTY-FOUR HOUR NOTICE OF NONCOMPLIANCE REPORTING ................ 12
   J. OTHER NONCOMPLIANCE REPORTING .................................................................. 12
   K. INSPECTION AND ENTRY ........................................................................................... 12

III. COMPLIANCE RESPONSIBILITIES ............................................................................. 13
   A. DUTY TO COMPLY ...................................................................................................... 13
   B. PENALTIES FOR VIOLATIONS OF PERMIT CONDITIONS ...................................... 13
   C. NEED TO HALT OR REDUCE ACTIVITY NOT A DEFENSE ..................................... 13
   D. DUTY TO MITIGATE ................................................................................................... 13
   E. PROPER OPERATION AND MAINTENANCE ............................................................. 13

IV. GENERAL REQUIREMENTS ....................................................................................... 14
   A. PLANNED CHANGES .................................................................................................. 14
   B. ANTICIPATED NONCOMPLIANCE ........................................................................... 14
   C. PERMIT ACTIONS ....................................................................................................... 14
   D. DUTY TO REAPPLY ................................................................................................... 14
   E. DUTY TO PROVIDE INFORMATION ........................................................................... 14
   F. OTHER INFORMATION ............................................................................................... 14
   G. SIGNATORY REQUIREMENTS .................................................................................... 14
   H. PENALTIES FOR FALSIFICATION OF REPORTS ..................................................... 15
   I. AVAILABILITY OF REPORTS ....................................................................................... 15
   J. PROPERTY RIGHTS ...................................................................................................... 15
   K. SEVERABILITY ........................................................................................................... 15
   L. TRANSFERS ................................................................................................................ 16
   M. STATE LAWS ............................................................................................................. 16
   N. REOPENER PROVISION ............................................................................................. 16

Appendix A Construction Permit Requirements
Appendix B Raffinate and PLS Pond Plans and Specifications
Appendix C Intermediate Tailings Disposal Facility Plans and Specifications
Appendix D Concrete Design Plans and Specifications
I. SPECIFIC CONDITIONS

A. GROUND WATER CLASSIFICATION
   Based on samples taken from water wells WW-3, located approximately 1 ¼ miles northwest of the proposed tailings dams and up-gradient of the mine facilities, and WW-6, located approximately ½ mile south and down-gradient of the proposed tailings dams, ground water in the area is Class II. A formal determination of ground water class in these wells and new monitor wells to be drilled for this permit will be made following background monitoring.

B. BACKGROUND GROUND WATER QUALITY
   Background water quality data for samples taken from water wells WW-3 and WW-6 are given in Table 7 of CS Mining’s ground water discharge permit application.

C. GROUND WATER PROTECTION LEVELS
   Ground water protection levels will be established for the two monitor wells that will be drilled at the site of CS Mining’s proposed Intermediate Tailings Disposal Facility following background monitoring, provided these wells encounter ground water.

   The following preliminary protection levels are established for the down-gradient water well WW-6:

   Table 1: Interim Ground Water Protection Levels

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Protection Level (mg/l)</th>
</tr>
</thead>
<tbody>
<tr>
<td>pH (units)</td>
<td>6.5-8.5$^1$</td>
</tr>
<tr>
<td>Sulfate</td>
<td>998$^2$</td>
</tr>
<tr>
<td>Total Dissolved Solids</td>
<td>2200$^2$</td>
</tr>
</tbody>
</table>

   $^1$Ground Water Standard from Table 1 of UAC R317-6
   $^2$Equals 1.25 x background concentration

   Protection levels for well WW-6 will be revised following background sampling as required in Part I.H.

D. BEST AVAILABLE TECHNOLOGY (BAT) STANDARD

   1. Authorized Construction - This permit authorizes construction and operation of two or three process water ponds, consisting of one pregnant leach solution pond and one or two raffinate ponds; and also an intermediate tailings disposal facility (ITDF).

   2. Design and Construction - the authorized process water ponds and ITDF will be constructed in accordance with the engineering design plans and specifications approved in this permit. Construction permit conditions are included in Appendix A. Engineering plans and specification for construction of the other facilities are included as Appendices B, C and D.
The process water ponds will be underlain by a double liner system consisting of an upper 38-mil XR-5 liner overlaying a drainage net, which overlays a lower liner of 30-mil XR-5. The space between the two XR-5 liners drains to a sump enabling detection of leaks in the upper liner. The lined area of each pond is 2.2 acres.

The tailings disposal facility will be constructed in two small canyons east of the milling operations. Two dams will be constructed across these drainages to create an impoundment of approximately 3 million cubic yards capacity. A 40-mil HDPE liner will be installed over the drainage bottoms and in those parts of the impoundment where water separated from the tailings will pond. The upper margins of the impoundment will be covered with a geo-composite liner (GCL), a woven mat containing bentonite. Upon completion of the facility, approximately 80% of the impoundment will be lined with HDPE. Water that collects in the impoundment will be pumped back to the mill facilities for recycling, minimizing hydraulic head on the HDPE liner.

Approved construction elements of the process water ponds include:

a. Subgrade Preparation - the subgrade will be graded, scarified, moisture conditioned and re-compacted to 95% on the Modified Proctor Scale (ASTM 1557).

b. Secondary Liner - a 30-mil 8130 XR-5 liner will be installed immediately above the subgrade across the entire operating area in accordance with the construction quality assurance/quality control manual approved by the Construction Permit.

c. Leak Detection Layer - a drainage net layer will be installed between the primary and secondary XR-5 liners to route leakage through the primary liner to the leak detection sump.

d. Leak Detection Sump - The ponds will slope to a leak detection sump located beneath an adjacent pump station. The sump will be gravel-filled and have a capacity of approximately 600 gallons. A dedicated leak recovery pump will engage automatically when water reaches a specified level (drawing 80-GA-05 in Appendix B of the permit application). The volume of water recovered will be measured and recorded on a daily basis.

e. Primary Liner - a 38-mil 8138 XR-5 liner will be installed on top of the drainage net in accordance with the construction quality assurance/quality control manual approved by the Construction Permit.

Approved construction elements of the ITDF include:

f. Two dams across existing drainages will be constructed to contain the ITDF impoundment. Borrow for the dams will come from unconsolidated alluvial fill and weathered, fractured bedrock from within the footprint of the ITDF. The dams will be constructed, beginning with low starter dams, concurrently as tailings are placed into the ITDF. The
starter dams will have slopes of 3H:1V on the upstream sides and 2H:1V on the downstream sides. Raises will have slopes of 2.5H:1V on the downstream sides and 1.5H:1V on the upstream sides. The dams will have crest widths of 20 feet and 2 feet of freeboard will be provided. Final dam volumes will be approximately 467,000 yd$^3$ for the eastern dam and 204,000 yd$^3$ for the western dam. The ITDF will have an ultimate capacity to contain 4,777,800 yd$^3$ of tailings.

g. Subgrade for the lined parts of the ITDF impoundment will be graded, moisture conditioned, scarified and compacted. One-inch minus material will be used as bedding material for the 40-mil HDPE flexible membrane liner. Upon completion of the ITDF, approximately 2,400,000 square feet, or 80% of the impoundment area, will be underlain by the HDPE liner.

h. The remaining 20% of the impoundment will be lined with GCL, Bentomat ST or the equivalent. The GCL will be installed in accordance with manufacturer's recommendation. HDPE and GCL will be joined by overlapping them in the HDPE anchor trench or placing powdered bentonite, when joining the two materials in an anchor trench is not possible.

3. BAT Performance Monitoring for the process water ponds - Best available technology monitoring will include minimum vertical freeboard, maximum allowable leakage rate, and maximum allowable head monitoring. These performance standards are based on the precedence of previous ground water discharge permits and Action Leakage Rates for Leak Detection Systems (EPA, January 1992).

a. Minimum Vertical Freeboard – a minimum of 24 inches of vertical freeboard shall be maintained to ensure total containment of the process water ponds.

b. Maximum Allowable Leakage Rate – based on a pond area of 2.2 acres, the maximum allowable leakage rate through the primary XR-5 liner of the evaporation/surge pond will be 440 gallons per day.

c. Maximum Allowable Head – the maximum head that will be allowed in the leak detection sump is one (1) foot. Any fluids collected in the leak detection sump will be removed and placed back into the pond from which it came.

4. Spill Containment - The permittee shall design, maintain and construct all pipelines, storage tanks, and mill facilities with a spill containment system that shall:

a. Prevent any spills or leakage from any contact with the ground surface or ground water.

b. Convey all spills or leakage to the evaporation/surge pond or contain all spills within separate, isolated secondary containments.
Any spill that does come into contact with the surface or ground water that causes pollution or has the potential to cause pollution to waters of the state shall be reported in accordance with Part II.I.


E. COMPLIANCE MONITORING REQUIREMENTS

1. Process Water Ponds Monitoring

Water recovered from the leak detection sumps under the double-lined process water ponds will pass through a totalizer before being discharged back into the pond where it originated. CS Mining shall record daily totalizer readings for each process water pond. A daily total of over 440 gallons per day (based on a pond size of 2.2 acres) constitutes non-compliance with the terms of this permit. CS Mining shall make these records of daily pond leakage available to DWQ upon request.

2. Source Monitoring

After mill start-up and disposal of tailings in the ITDF, tailings water will be sampled daily from the tailings water return line at the plant terminus of that line, and pH, temperature and electroconductivity will be measured at the site. Following plant start-up and stabilization of the milling process, or after one month of operations (whichever comes first), a return tailings water sample will be collected and analyzed for the parameters listed in Part I.E.4(b)3, below. Additional samples will be collected at monthly intervals for 90 days and quarterly thereafter.

3. Ground Water Monitoring

a. Ground Water Quality Sampling and Analysis Quality Assurance Project Plan - All water quality monitoring shall be conducted in accordance with the general requirements, hereunder, and the specific requirements of the Ground Water Sampling and Analysis Quality Assurance Project Plan, as required in Part I.H and approved by the Director of DWQ.

b. Compliance Wells – In addition to water well WW-6, two monitoring wells that will be installed hydraulically down-gradient of the ITDF will serve as ground water compliance monitoring points. If ground water is not encountered in either of these new wells, CS Mining shall propose an alternative plan to monitor for seepage from the ITDF. Additionally, CS Mining shall sample up-gradient water well WW-3 semi-annually and analyze the samples for the parameters listed in Part I.E.4(b)(3), below; and measure static water level in WW-3 quarterly.

c. Protection of Monitoring Wells - All compliance monitoring wells must be protected from damage due to surface vehicular traffic or contamination due to surface spills. All compliance monitoring wells shall be maintained in full operational condition for the life of this
permit. Any compliance monitoring well that becomes damaged beyond repair or is rendered unusable for any reason will be replaced by the permittee within 90 days or as directed by the Director.

4. Quarterly Compliance Monitoring

a. Water Level Measurements - water level measurements shall be made in each monitoring well prior to any well purging or collection of ground water samples. These measurements will be made from a surveyed permanent reference point clearly demarcated on the top of the well or surface casing. Water level measurements will be made to the nearest 0.01 foot.

b. Ground Water Quality Samples - grab samples of ground water from compliance monitoring wells will be collected for laboratory analysis on a quarterly basis.

1) Analysis by Certified Laboratories - analysis of all ground water samples shall be performed by laboratories certified by the Utah State Health Laboratory.

2) Ground Water Analytical Methods - methods used to analyze ground water samples must comply with the following:

   a) Methods cited in UAC R317-6-6.3L, and

   b) Method detection limits are less than Ground Water Protection Levels in Part I.C.

3) Analysis Parameters - the following analyses will be conducted on all ground water samples collected:

   a) Field Parameters - pH, temperature, and specific conductance.

   b) Laboratory Parameters:

      i. Major ions: sodium, calcium, magnesium, potassium, chloride, sulfate, alkalinity.

      ii. Metals from Table 1 of UAC R317-6

      iii. Gross alpha and Ra 226 + 228

      iv. Additional parameters may be required upon review of data from Source Monitoring required in Part I.E.2.

F. NON-COMPLIANCE STATUS

1. Out-of Compliance Due to Failure of Best Available Technology - if process water collects in the sumps of any process water pond at a rate greater than 200 gal/acre/day (440 gal/day for a 2.2-acre pond), the permittee shall notify the
Division of Water Quality by telephone within 24 hours and in writing within five working days. Unless it can be demonstrated that the fluid in the sump is not process water that has leaked from the impoundment, the permittee shall immediately begin activities to locate, isolate to temporarily exclude process water from the liner and repair any leaks in the pond’s liners. Within thirty days of the discovery of leakage exceeding the 200 gal/acre/day standard, the permittee shall submit a report to DWQ containing a description of the source of the excessive leakage, its duration, and if the leakage has not been corrected, the anticipated time it is expected to continue; and steps already taken or plans to reduce, eliminate and prevent recurrence of the leakage. The plans may be subject to modification by DWQ. An evaluation shall also be made of whether process water or other contaminants have been released to the environment. If there is a catastrophic failure of the pond’s containment system, the Director of DWQ may require cessation of discharge or pond closure. Upon completion of any repairs or remediation activities, the permittee shall submit a report demonstrating the integrity of the pond’s containment system.

2. Probable Out-of-Compliance Status Due to Exceedence of Ground Water Protection Level - The permittee shall evaluate results of each ground water sampling event to determine any exceedence of the Ground Water Protection Levels found in Part I.C, above, in water well WW-6, and upon completion of accelerated background monitoring and designation of Protection Levels in new monitor wells. Upon determination that a Ground Water Protection Level has been exceeded at any down-gradient compliance monitoring well, the permittee shall:

a. Immediately re-sample the monitoring well(s) found to be in probable out-of-compliance status for laboratory analysis of the exceeded protection level parameter(s). Submit the analytical results thereof, and notify the Director of the probable out-of-compliance status within 30 days of the initial detection.

b. Upon exceedence of any one parameter listed in Part I.C for two consecutive sampling events, immediately implement an accelerated schedule of monthly sampling analysis, consistent with the requirements of this permit. This monthly sampling will continue for at least two months or until the compliance status can be determined by the Director. Reports of the results of this sampling will be submitted to the Director as soon as they are available, but not later than 30 days from each date of sampling.

3. Out-of-Compliance Status Based on Confirmed Exceedence of Permit Ground Water Protection Levels

a. Out of Compliance Status shall be defined as follows:
1) For parameters that have been defined as detectable in the background and for which protection levels have been established, out-of-compliance shall be defined as two consecutive samples exceeding the protection level, and the mean background concentration by two standard deviations.
Part I

Permit No. UGW010014

2) For parameters that have background data sets containing between 50-85% non-detectable analyses, out-of-compliance shall be defined as two consecutive samples from a compliance monitoring point exceeding the established protection level.

3) For parameters that have been non-detectable in the background and for which protection levels have been determined based on 0.25 times the ground water quality standard, out-of-compliance shall be defined as two consecutive samples from a compliance monitoring point exceeding the established protection level.

b. Notification and Accelerated Monitoring - upon determination by the permittee or the Director, in accordance with UAC R317-6-6.17, that an out-of-compliance status exists, the permittee shall:

1) Verbally notify the Director of the out-of-compliance status or acknowledge Director notice that such a status exists within 24 hours of receipt of data, and

2) Provide written notice within 5 days of the determination, and

3) Continue an accelerated schedule of monthly ground water monitoring for at least two months and continue monthly monitoring until the facility is brought into compliance as determined by the Director.

c. Source and Contamination Assessment Study Plan - within 30 days after the written notice to the Director required in Part I.F. 2.b.2, above, the permittee shall submit an assessment study plan and compliance schedule for:

1) Assessment of the source or cause of the contamination, and determination of steps necessary to correct the source.

2) Assessment of the extent of the ground water contamination and any potential dispersion.

3) Evaluation of potential remedial actions to restore and maintain ground water quality, and ensure that the ground water standards will not be exceeded at the compliance monitoring wells.

4. Out-of-Compliance Status Based Upon Failure To Maintain Best Available Technology - In the event that BAT monitoring indicates a violation of any of the construction or performance standards outlined in Part I.D of this permit, the permittee shall submit to the Director a notification and description of the violation in accordance with Part II.I of this permit.

G. REPORTING REQUIREMENTS

1. Quarterly Ground Water Monitoring - monitoring required in Part I.E.2 above shall be reported according to the schedule in Table 3 below, unless modified by the Director:
Table 3: Quarterly Compliance Monitoring Report Schedule

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Report Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st (January, February, March)</td>
<td>April 30th</td>
</tr>
<tr>
<td>2nd (April, May, June)</td>
<td>July 31st</td>
</tr>
<tr>
<td>3rd (July, August, September)</td>
<td>October 31st</td>
</tr>
<tr>
<td>4th (October, November, December)</td>
<td>January 31st</td>
</tr>
</tbody>
</table>

2. Water Level Measurements - water level measurements from ground water monitoring wells will be reported as measured depth to ground water from the surveyed casing measuring point, and ground water elevations as converted by casing measuring point elevations.

3. Ground Water Quality Sampling - reporting will include:
   a. Field Data Sheets - or copies thereof, including the field measurements, required in Part I.E.2.b.3 above, and other pertinent field data, such as: well name/number, date and time, names of sampling crew, type of sampling pump or bail, volume of water purged before sampling.
   b. Laboratory Analytical Results - including date sampled, date received; and the results of analysis for each parameter, including: value or concentration, units of measurement, reporting limit (minimum detection limit for the examination), analytical method, and the date of the analysis.

4. Daily Leak Detection Monitoring- reporting will include:
   a. Number of days in the quarter that fluids were present in the leak detection sump.
   b. Largest daily volume of fluid removed from the leak detection sump during the quarter, if fluids were present.
   c. If the permittee wishes to argue that fluids removed from the sump were not process water that leaked from the impoundment, results of sampling and analysis of collected fluid. The report of these results will meet the same requirements for ground water samples in Part I.G.3 above.
   d. The disposition of any fluids in the leak detection sump, if they were not returned to the impoundment.

5. Electronic Filing Requirements - In addition to submittal of the hard copy data, above, the permittee will electronically submit the required ground water monitoring data in the electronic format specified by the Director. The data may be submitted by e-mail, compact disc, or other approved transmittal mechanism.

H. COMPLIANCE SCHEDULE

1. Monitoring Well As-Built Report - For each well constructed, the permittee shall submit diagrams and descriptions of the final completion of the monitoring wells. The report is due within 60 days of the date of well completion. The report shall include:
a. Casing: depth, diameter, and type of material.
b. Screen: length, depth interval, diameter, material type, slot size.
c. Sand Pack: depth interval, material type and grain size.
d. Annular Seals: depth interval, material type.
e. Surface Casing and Cap: depth, diameter, material type, protection measures constructed.
f. Elevation and Location: ground surface elevation, elevation of water level measuring point, latitude and longitude in hours, minutes and seconds.
g. Well construction description, well completion description, results of well pump tests or slug tests.

Wells should be completed to allow for sampling of the uppermost significant occurrence of ground water. If neither of the proposed two new wells intercepts ground water, CS Mining shall propose an alternate plan for monitoring seepage from the ITDF within 30 days of completion of drilling.

2. Sampling, Analysis and Quality Assurance Plan- Within 60 days of permit issuance CS Mining shall submit a Sampling, Analysis and Quality Assurance Plan for approval by the Director of DWQ. Following approval this plan shall be used for all water sampling required for this permit. The Plan must meet the requirements of UAC R317-6-6.3(I) and UAC R317-6-6.3 (L). Methods for sampling, quality assurance/quality control and laboratory analytical methods should be listed in the Plan and followed consistently. Laboratory methods may only be changed with approval of the Director. In accordance with UAC R317-6-6.12(A), all samples must be analyzed by a Utah-certified laboratory. Upon approval by DWQ, the Plan shall become an enforceable appendix to this permit.

3. Accelerated Background Monitoring Program – The permittee shall conduct an accelerated ground water monitoring program to establish ground water protection levels for compliance monitoring wells. Ground water quality samples will be collected and analyzed from all new compliance monitoring wells and water wells WW-3 and WW-6, in accordance with the following requirements:

a. Independent grab samples will be collected over a one-year period from each well according to the requirements of Part I.E.2 above, and the approved Sampling, Analysis and Quality Assurance Plan, until a total of eight (8) sampling events have been completed. Existing samples may be used for background sampling, provided sampling and analytical methods are the same for all samples.

b. After eight (8) sample events have been completed, the permittee will submit an Accelerated Background Monitoring Report with all field data sheets, laboratory analytical reports, and the following statistical calculations presented in spreadsheet format for each parameter in Table 2 for each well.

1) Non-detect values converted to the detection limit times 0.5
2) Mean concentration
3) Standard deviation
4) Mean concentration plus 2 standard deviations
5) Mean total dissolved solids concentration times 1.25
6) Mean concentration of all other parameters times 1.5
7) Ground water quality standard times 0.5

After review and approval of the Accelerated Background Monitoring Report, the Director will establish well-specific ground water protection parameters in accordance with R317-6-4 of the Ground Water Quality Protection Rules.

c. After the Director has re-opened the permit and established well-specific ground water protection levels, sampling will be relaxed to the compliance monitoring frequency in Part I.E above.

4. Final Closure Plan. One year prior to the last placement of tailings in the ITDF, the permittee shall submit a final closure plan for the facility that is protective of the quality of waters of the state. The plan must evaluate the potential for the tailings to leach contaminants into ground or surface water based on testing of representative samples of the tailings. The final closure plan shall be implemented following approval by the Director of DWQ.
II. MONITORING, RECORDING AND REPORTING REQUIREMENTS

A. REPRESENTATIVE SAMPLING
Samples taken in compliance with the monitoring requirements established under Part I shall be representative of the monitored activity.

B. ANALYTICAL PROCEDURES
Water sample analysis must be conducted according to test procedures specified under UAC R317-6-6.3.L, unless other test procedures have been specified in this permit.

C. PENALTIES FOR TAMPERING
The Act provides that any person who falsifies, tampers with, or knowingly renders inaccurate, any monitoring device or method required to be maintained under this permit shall, upon conviction, be punished by a fine of not more than $10,000 per violation, or by imprisonment for not more than six months per violation, or by both.

D. REPORTING OF MONITORING RESULTS
Monitoring results obtained during each reporting period specified in the permit, shall be submitted to the Director, Utah Division of Water Quality at the following address no later than the 15th day of the month following the completed reporting period:

State of Utah
Division of Water Quality
P.O. Box 144870
Salt Lake City, Utah 84114-4870
Attention: Ground Water Protection Section

E. COMPLIANCE SCHEDULES
Reports of compliance or noncompliance with, or any progress reports on interim and final requirements contained in any Compliance Schedule of this permit shall be submitted no later than 14 days following each schedule date.

F. ADDITIONAL MONITORING BY THE PERMITTEE
If the permittee monitors any pollutant more frequently than required by this permit, using approved test procedures as specified in this permit, the results of this monitoring shall be included in the calculation and reporting of the data submitted. Such increased frequency shall also be indicated.

G. RECORDS CONTENTS
Records of monitoring information shall include:
1. The date, exact place, and time of sampling or measurements;
2. The individual(s) who performed the sampling or measurements;
3. The date(s) and time(s) analyses were performed;
4. The individual(s) who performed the analyses;
5. The analytical techniques or methods used; and,
6. The results of such analyses.

H. RETENTION OF RECORDS
The permittee shall retain records of all monitoring information, including all calibration and maintenance records and copies of all reports required by this permit, and records of all data used to complete the application for this permit, for a period of at least three years from the date of the sample, measurement, report or application. This period may be extended by request of the Director at any time.
I. TWENTY-FOUR HOUR NOTICE OF NONCOMPLIANCE REPORTING
1. The permittee shall verbally report any noncompliance which may endanger public health or the environment as soon as possible, but no later than 24 hours from the time the permittee first became aware of the circumstances. The report shall be made to the Utah Department of Environmental Quality 24 hour number, (801) 536-4123, or to the Division of Water Quality, Ground Water Protection Section at (801) 536-4300, during normal business hours (Monday through Friday 8:00 am - 5:00 pm Mountain Time).

2. A written submission shall also be provided to the Director within five days of the time that the permittee becomes aware of the circumstances. The written submission shall contain:
   a. A description of the noncompliance and its cause;
   b. The period of noncompliance, including exact dates and times;
   c. The estimated time noncompliance is expected to continue if it has not been corrected; and,
   d. Steps taken or planned to reduce, eliminate, and prevent reoccurrence of the noncompliance.

3. Reports shall be submitted to the addresses in Part II.D, Reporting of Monitoring Results.

J. OTHER NONCOMPLIANCE REPORTING
Instances of noncompliance not required to be reported within 24 hours, shall be reported at the time that monitoring reports for Part II.D are submitted.

K. INSPECTION AND ENTRY
The permittee shall allow the Director, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to:

1. Enter upon the permittee's premises where a regulated facility or activity is located or conducted, or where records must be kept under the conditions of the permit;

2. Have access to and copy, at reasonable times, any records that must be kept under the conditions of this permit;

3. Inspect at reasonable times any facilities, equipment (including monitoring and control equipment), practices, or operations regulated or required under this permit; and,

4. Sample or monitor at reasonable times, for the purpose of assuring permit compliance or as otherwise authorized by the Act, any substances or parameters at any location.
III. COMPLIANCE RESPONSIBILITIES

A. DUTY TO COMPLY

The permittee must comply with all conditions of this permit. Any permit noncompliance constitutes a violation of the Act and is grounds for enforcement action; for permit termination, revocation and reissuance, or modification; or for denial of a permit renewal application. The permittee shall give advance notice to the Director of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.

B. PENALTIES FOR VIOLATIONS OF PERMIT CONDITIONS.

The Act provides that any person who violates a permit condition implementing provisions of the Act is subject to a civil penalty not to exceed $10,000 per day of such violation. Any person who willfully or negligently violates permit conditions is subject to a fine not exceeding $25,000 per day of violation. Any person convicted under Section 19-5-115(2) of the Act a second time shall be punished by a fine not exceeding $50,000 per day. Nothing in this permit shall be construed to relieve the permittee of the civil or criminal penalties for noncompliance.

C. NEED TO HALT OR REDUCE ACTIVITY NOT A DEFENSE.

It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

D. DUTY TO MITIGATE

The permittee shall take all reasonable steps to minimize or prevent any discharge in violation of this permit which has a reasonable likelihood of adversely affecting human health or the environment.

E. PROPER OPERATION AND MAINTENANCE

The permittee shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the permittee to achieve compliance with the conditions of this permit. Proper operation and maintenance also includes adequate laboratory controls and quality assurance procedures. This provision requires the operation of back-up or auxiliary facilities or similar systems which are installed by a permittee only when the operation is necessary to achieve compliance with the conditions of the permit.
IV. GENERAL REQUIREMENTS

A. PLANNED CHANGES
   The permittee shall give notice to the Director as soon as possible of any planned physical alterations or additions to the permitted facility. Notice is required when the alteration or addition could significantly change the nature of the facility or increase the quantity of pollutants discharged.

B. ANTICIPATED NONCOMPLIANCE
   The permittee shall give advance notice of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.

C. PERMIT ACTIONS
   This permit may be modified, revoked and reissued, or terminated for cause. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or a notification of planned changes or anticipated noncompliance, does not stay any permit condition.

D. DUTY TO REAPPLY
   If the permittee wishes to continue an activity regulated by this permit after the expiration date of this permit, the permittee must apply for and obtain a permit renewal or extension. The application should be submitted at least 180 days before the expiration date of this permit.

E. DUTY TO PROVIDE INFORMATION
   The permittee shall furnish to the Director, within a reasonable time, any information which the Director may request to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. The permittee shall also furnish to the Director, upon request, copies of records required to be kept by this permit.

F. OTHER INFORMATION
   When the permittee becomes aware that it failed to submit any relevant facts in a permit application, or submitted incorrect information in a permit application or any report to the Director, it shall promptly submit such facts or information.

G. SIGNATORATORY REQUIREMENTS
   All applications, reports or information submitted to the Director shall be signed and certified.
   1. All permit applications shall be signed as follows:
      a. For a corporation: by a responsible corporate officer;
      b. For a partnership or sole proprietorship: by a general partner or the proprietor, respectively.
      c. For a municipality, State, Federal, or other public agency: by either a principal executive officer or ranking elected official.
   2. All reports required by the permit and other information requested by the Director shall be signed by a person described above or by a duly authorized representative of that person. A person is a duly authorized representative only if:
a. The authorization is made in writing by a person described above and submitted to the Director, and,

b. The authorization specified either an individual or a position having responsibility for the overall operation of the regulated facility or activity, such as the position of plant manager, operator of a well or a well field, superintendent, position of equivalent responsibility, or an individual or position having overall responsibility for environmental matters for the company. (A duly authorized representative may thus be either a named individual or any individual occupying a named position.)

3. Changes to Authorization. If an authorization under Part IV.G.2 is no longer accurate because a different individual or position has responsibility for the overall operation of the facility, a new authorization satisfying the requirements of Part IV.G.2 must be submitted to the Director prior to or together with any reports, information, or applications to be signed by an authorized representative.

4. Certification. Any person signing a document under this section shall make the following certification:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

H. PENALTIES FOR FALSIFICATION OF REPORTS
The Act provides that any person who knowingly makes any false statement, representation, or certification in any record or other document submitted or required to be maintained under this permit, including monitoring reports or reports of compliance or noncompliance shall, upon conviction be punished by a fine of not more than $10,000 per violation, or by imprisonment for not more than six months per violation, or by both.

I. AVAILABILITY OF REPORTS
Except for data determined to be confidential by the permittee, all reports prepared in accordance with the terms of this permit shall be available for public inspection at the offices of the Director. As required by the Act, permit applications, permits, effluent data, and ground water quality data shall not be considered confidential.

J. PROPERTY RIGHTS
The issuance of this permit does not convey any property rights of any sort, or any exclusive privileges, nor does it authorize any injury to private property or any invasion of personal rights, nor any infringement of federal, state or local laws or regulations.

K. SEVERABILITY
The provisions of this permit are severable, and if any provision of this permit, or the application of any provision of this permit to any circumstance, is held invalid, the application of such provision to other circumstances, and the remainder of this permit, shall not be affected thereby.
L. TRANSFERS
This permit may be automatically transferred to a new permittee if:

1. The current permittee notifies the Director at least 30 days in advance of the proposed transfer date;

2. The notice includes a written agreement between the existing and new permittee containing a specific date for transfer of permit responsibility, coverage, and liability between them; and,

3. The Director does not notify the existing permittee and the proposed new permittee of his or her intent to modify, or revoke and reissue the permit. If this notice is not received, the transfer is effective on the date specified in the agreement mentioned in paragraph 2 above.

M. STATE LAWS
Nothing in this permit shall be construed to preclude the institution of any legal action or relieve the permittee from any responsibilities, liabilities, penalties established pursuant to any applicable state law or regulation under authority preserved by Section 19-5-117 of the Act.

N. REOPENER PROVISION
This permit may be reopened and modified (following proper administrative procedures) to include the appropriate limitations and compliance schedule, if necessary, if one or more of the following events occurs:

1. If new ground water standards are adopted by the Board, the permit may be reopened and modified to extend the terms of the permit or to include pollutants covered by new standards. The permittee may apply for a variance under the conditions outlined in R317-6-6.4.D.

2. If alternative compliance mechanisms are required.

3. If subsequent ground water monitoring data reveals the background water quality values in Part I Table 1 are not accurate.
Appendix A  Construction Permit Requirements
Appendix B  Raffinate and PLS Pond Plans and Specifications
Appendix C  Intermediate Tailings Disposal Facility Plans and Specifications
Appendix D  Concrete Design Plans and Specifications