

IN THE OFFICE OF THE STATE ENGINEER  
OF THE STATE OF NEVADA

O R D E R

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Newmont Gold Company  
P. O. Box 669  
Carlin, Nevada 89822-0669

Barrick Goldstrike Mines, Inc.  
P. O. Box 29  
Elko, Nevada 89803

WHEREAS, the Division of Water Resources received plans and specifications for the TS Ranch Dam and Reservoir submitted by Barrick Goldstrike Mines, Inc., on July 24, 1989, under plan Application J-320, and

WHEREAS, the Nevada State Engineer approved plans and specifications for construction of the TS Ranch Dam and Reservoir in four stages on August 9, 1989. Upon completion of the construction of Stage 1 to a crest elevation of 5,105 feet mean sea level (msl) the design engineer was to submit certification that Stage 1 was constructed according to plans and specifications, and

WHEREAS, the dam was to be constructed in four phases with appropriate spillway capacity to handle any kind of incoming storm water based on the various elevations of the stages, and

WHEREAS, the dam was completed to an elevation of 5,125 under phase two construction and Barrick Goldstrike Mines, Inc., asked permission to begin placing mine dewatering water in the reservoir, and

WHEREAS, on March 13, 1990, the State Engineer gave approval to impound water to an elevation of 5,110 feet msl. Subsequent to the beginning of filling the reservoir, a crevice developed about 600 feet long across the reservoir floor and all the water supplied by the dewatering operation was infiltrating into the crevice and back into the groundwater reservoir, and

WHEREAS, on November 5, 1991 the Nevada State Engineer waived any requirement for a spillway since any water entering the reservoir by natural flow or by pumping from the mining operation was infiltrating back into the groundwater system, and

WHEREAS, on September 1, 1994 and upon completion of Stage 3 the State Engineer granted approval to impound water to an elevation of 5,142 feet msl. The "as built" plans for Stage 3 noted that "The construction of the permanent spillway has been delayed until a decision concerning the ultimate height is made", and

WHEREAS, on Friday, August 18, 1995, the Nevada State Engineer became aware of the situation wherein Newmont Gold Company, on whose land the reservoir lies, was planning to build a coffer dam with the intent of putting a seal/plug in the crevice, and

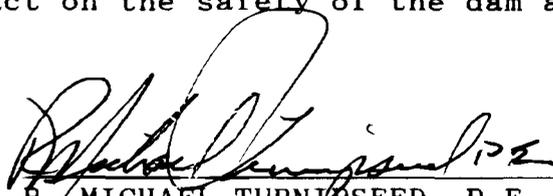
WHEREAS, this action by Newmont Gold Company is an alteration to the dam as governed by NRS 535.010, since no permanent spillway has ever been constructed and approved by the State Engineer; and

WHEREAS, plugging the discharge from the reservoir back into the groundwater system would cause the reservoir to fill relatively rapidly with no plans for a more adequate spillway or further plans for discharge through the outlet other than the existing 42 inch pipeline to the center pivots for irrigation, and

WHEREAS, the plans for TS Ranch Dam from the first submittal in 1990 show inferred faults in the bottom of the reservoir as well as under the west embankment. There is no assurance throughout the life of this reservoir that alteration of the crevice that exists today will not cause other crevices to form and as to where they may be manifested, and

WHEREAS, the Nevada State Engineer has authority over dams and reservoirs and the Statewide Dam Safety Program as outlined in Nevada Revised Statutes, Chapter 535.

NOW THEREFORE, it is ordered that Newmont Mining Company, Barrick Goldstrike Mining Company and any of their subsidiary contractors cease and desist any work on the TS Ranch Dam, the TS Ranch Reservoir or any of its ancillary appliances until such time as the Nevada State Engineer can assess and review plans and specifications relative to the modifications to the dam and reservoir and their potential impact on the safety of the dam and the public.

  
R. MICHAEL TURNIPSEED, P.E.  
State Engineer

Dated at Carson City, Nevada, this  
15TH day of SEPTEMBER, 1995