

**DEPARTMENT OF ENVIRONMENT & NATURAL RESOURCES
RECOMMENDATION AND NOTICE OF HEARING
IN THE MATTER OF LAC MINERALS (USA), LLC, RICHMOND HILL MINE
PETITION FOR RELEASE OF RECLAMATION OBLIGATIONS,
UPDATED RECLAMATION PLAN AND FINANCIAL ASSURANCE,
POSTCLOSURE PLAN AND FINANCIAL ASSURANCE,
REQUEST TO EXTEND RECLAMATION PERIOD, AND
REQUEST TO RETAIN WATER MANAGEMENT FACILITIES AND ACCESS ROADS
FOR MINE PERMIT NOS. 445 AND 460**

Notice is hereby given that a hearing regarding the release of LAC Minerals (USA), LLC, Richmond Hill Mine's reclamation liability, updated reclamation plan, approval of the postclosure plan, the retention of water management facilities and access roads, request to extend the reclamation period, and setting the reclamation and postclosure financial assurance types and amounts for LAC Minerals (USA), LLC, 11457 Bobtail Gulch Street, Central City, South Dakota 57754, will take place before the South Dakota Board of Minerals and Environment on October 15, 2015 at 11:00 AM CDT at the Matthew Environmental Education and Training Center, Joe Foss Building, 523 East Capitol Avenue, Pierre, South Dakota. The purpose of the hearing will be to consider these matters concerning Permit Nos. 445 and 460 held by LAC Minerals (USA), LLC for its gold mining operations located in Sections 10, 11, 14, 15, 22, 23, 26, and 35; T5N-R2E, in Lawrence County. The general location is five miles northwest of Lead, South Dakota.

The Department recommends the Board of Minerals and Environment:

1. Approve LAC Minerals' petition for release of reclamation obligations for 265.94 acres of reclaimed land under Mine Permit Nos. 445 and 460 and release LAC Minerals' reclamation financial assurance in the amount of \$10,700,000.
2. Approve LAC Minerals' postclosure plan for approximately 220.65 acres under Mine Permit No. 445, set a postclosure care period at 100 years (2016 to 2115), and set the postclosure financial assurance in the amount of \$19,667,216 in a form acceptable to the Board.
3. In accordance with SDCL 45-6B-46, approve LAC Minerals' request to extend the reclamation period for five years for 1.76 unreclaimed acres under Mine Permit No. 445.
4. Approve LAC Minerals' updated reclamation plan for 1.76 unreclaimed acres, and set a new reclamation financial assurance in the amount of \$61,100 in a form acceptable to the Board.

5. In accordance with ARSD 74:29:07:12(10) and ARSD 74:29:07:13, allow 73.33 acres of roads, buildings, and structures needed for water management to remain throughout the postclosure period.

6. In accordance with ARSD 74:29:07:12(1), grant LAC Minerals' request to retain the Richmond Hill Access Road, Main Haul Road, Carbonate Road, Spearfish Fire Trail, Rubicon Gulch Access Road, and Limestone Quarry Road following the completion of water management activities.

The Board's action will be to approve, conditionally approve, or deny the request of LAC Minerals as enumerated above.

The hearing was previously continued from an earlier date. The hearing will be held in accordance with SDCL 45-6B and SDCL 1-26. This hearing is an adversary proceeding; however, only interested persons who filed petitions in accordance with ARSD Chapter 74:09:01 on or prior to the August 14, 2015 deadline for filing a petition, are parties to the proceedings. Individuals that are parties to the proceeding have the following rights at the hearing: to be present, to be represented by a lawyer. Individuals may represent themselves at the hearing; organizations must be represented by a lawyer. These and other due process rights will be forfeited if not exercised at the hearing. The decision based on the hearing may be appealed to the circuit court and the State Supreme Court as provided by law.

Notice is further given to individuals with disabilities that the hearing is being held in a physically accessible place. Please notify the Minerals and Mining Program within 48 hours of the public hearing if you have a disability for which special arrangements must be made at the hearing. The telephone number for making special arrangements is (605) 773-4201.

If the amount in controversy exceeds two thousand five hundred dollars or if a property right may be terminated, any party to the contested case may require the agency to use the Office of Hearing Examiners by giving notice of the request to the agency no later than ten days after service of a notice of hearing issued pursuant to SDCL 1-26-17.

The Petition for Release of Reclamation Obligations, Updated Reclamation Plan and Financial Assurance, Postclosure Plan and Financial Assurance, Request to Extend Reclamation Period, and Request to Retain Water Management Facilities and Access Roads for Mine Permit Nos. 445 and 460 is available for review at the Minerals and Mining Program or on the Minerals and Mining web page at <http://denr.sd.gov/des/mm/mmprogram.aspx>.

Persons desiring further information regarding this hearing may contact Mike Cepak, Minerals and Mining Program, at (605) 773-4201.

Steven M. Pirner
Secretary
Department of Environment and Natural Resources

Published once at approximate cost of \$ ____