

STEVE SISOLAK  
Governor

**Sagebrush Ecosystem Program**

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[www.sagebrusheco.nv.gov](http://www.sagebrusheco.nv.gov)



**Kelly McGowan**, Program Manager  
**Dan Huser**, Forestry/Wildland Fire  
**Kathleen Petter**, State Lands  
**Ethan Mower**, Agriculture  
**Katie Andrie**, Wildlife

**STATE OF NEVADA**  
**Sagebrush Ecosystem Program**

October 2, 2019

Mike Worley  
Environmental Manager  
McEwen Mining Inc. – Gold Bar Mine  
2215 North 5<sup>th</sup> Street  
Elko, NV 89801

Dear Mr. Worley:

You may be aware that on April 29, 2019, the State of Nevada's Sagebrush Ecosystem Council adopted regulations requiring mitigation for impacts to GRSB habitat on all public lands that are the result of certain anthropogenic disturbances. Specifically the regulations require "Mitigation of residual direct or indirect anthropogenic impacts resulting in potential habitat loss or degradation as defined by the Nevada Greater Sage-Grouse Conservation Plan and the Nevada Conservation Credit System (CCS), within Greater Sage-Grouse Habitat Management Areas is required when the anthropogenic disturbance is subject to state or federal review, approval, or authorization, as ordered by Nevada Executive Order 2018-32, signed on December 7, 2018."

It is our understanding that the Record of Decision for the Gold Bar Mine assumes that a draft treatment plan would be developed within six months of the signed ROD for the Final EIS. It also states that a plan would be developed identifying unit-specific treatment plans that utilize approved treatment methods to address the goals and objectives for each unit and to achieve **net conservation gain** depending on on-the-ground conditions. It is well beyond six months and to date we do not have any record of where these treatments units will occur, when the treatments will begin, or what unit of measure is intended to be used to achieve net conservation gain.

The Sagebrush Ecosystem Program would like to be kept informed on the development of a mitigation strategy so that we may assist you in achieving net conservation gain with your mitigation. We have several credit projects within fairly close proximity to your mining operations that may serve as offsets to the impacts from the mine. I would like to meet with you to review the CCS site analysis that was completed for the Gold Bar Mine and the number of debits associated with the project. The CCS tools can also be used to help identify areas of treatment that will likely yield the greatest amount of conservation, including conservation projects on public land.

We intend to use the CCS tools to estimate the number of credits generated from the relevant conservation sites in comparison with the number of debits calculated for the mining project. This will

allow us to meet our reporting requirements for mitigation being conducted statewide within greater sage-grouse management areas.

Please contact me at your earliest convenience so that we can set a date and time to review and discuss your options for achieving net conservation gain and the protection of Nevada's sagebrush ecosystem.

If you would like additional information on the Conservation Credit System, please visit our website at [sagebrusheco.nv.gov](http://sagebrusheco.nv.gov), or contact me at the information below. I have also included a copy of the approved regulations for your review. I look forward to your response.

Sincerely,

Kelly McGowan, Program Manager  
201 S. Roop Street, Ste. 101  
Carson City, NV 89701  
775.684.8600  
[kmcgowan@sagebrusheco.nv.gov](mailto:kmcgowan@sagebrusheco.nv.gov)

CC: Christine Gabriel, BLM; Alan Jenne, NDOW; Jon Raby, State Director, BLM  
Attachment: Mitigation Regulation

August 22, 2019

Mr. Kelly McGowan, Program Manager  
State of Nevada  
Sagebrush Ecosystem Program  
201 S. Roop Street, Suite 101  
Carson City, NV 89701

RE: Letter dated August 20, 2019

Dear Mr. McGowan:

McEwen Mining Inc. (MMI) is in receipt of your August 20, 2019 letter and offer the following response. MMI acknowledges the Executive Order 2018-32, which required the SEC to adopt regulations requiring compliance with the Nevada Greater sage-grouse conservation plan and the Nevada CCS for the conservation of the Greater sage-grouse and its habitat using compensatory mitigation as determined through the CCS. Subsequently, the SEC adopted temporary regulations requiring mitigation for impacts to Greater sage-grouse habitat on all public lands that are the result of certain anthropogenic disturbances. The executive order, signed by Governor Sandoval on December 7, 2018, and temporary regulations, adopted April 2019, was finalized after the Gold Bar Record of Decision (ROD) and would be implemented for future proposed projects that might require compensatory mitigation.

As you will recall, two compensatory mitigation options were reviewed in the Gold Bar Final Environmental Impact Statement (FEIS) to mitigate residual impacts to Greater sage-grouse. This included the use of the State of Nevada CCS as well as a Proponent Driven Mitigation Plan (PDMP). After review, Bureau of Land Management (BLM) determined the CCS option was not a viable approach at the time of review. Subsequently, the Record of Decision (ROD) for MMI's Gold Bar Mine, issued by the BLM on November 7, 2017, allowed MMI to implement the PDMP. MMI's plans to implement this option have been communicated to BLM and SETT consistently since the ROD.

MMI requested a time extension for implementation of the Proponent Driven Sage Grouse Mitigation, which BLM granted in a letter on December 21, 2018 which "extends the compliance date for the Proponent Driven Sage Grouse Mitigation to September 30, 2019".

MMI has since been engaged with BLM in the NEPA process to complete an Environmental Assessment (EA) to implement the PDMP. Implementation will begin once the EA is final, consistent with the language in the ROD on page 39, "As mitigation to off-set the impacts to greater sage-grouse habitat from the Project, MMI will be responsible for completion of treatment activities within two years of receiving approval of the Project from BLM ...".

# McEWEN MINING NEVADA INC.

The Sagebrush Ecosystem Program will have the opportunity to review the EA, which details the planned treatment areas, schedule and measures intended to demonstrate net conservation gain.

MMI is committed to a Proponent Driven Mitigation Plan, and looks forward to continued coordination with the SETT on implementation of that plan.

Sincerely,



Mike Worley  
Environmental Manager

ec:

Christine Gabriel (BLM)

Jon Sherve (BLM)

Doug Furtado (BLM)

Jon Raby (BLM)

Alan Jenne,(NDOW)



# United States Department of the Interior



BUREAU OF LAND MANAGEMENT  
Mount Lewis Field Office  
50 Bastian Road

Battle Mountain, Nevada 89820

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<https://www.blm.gov/nevada>

In Reply Refer To:  
3809 (NVB0100)  
NVN-091037

**DEC 21 2018**

**CERTIFIED MAIL NO.: 7010 1670 0001 5008 5687**

**Return Receipt Requested**

McEwen Mining, Inc.  
Attn: Mr. Michael Worley, Environmental Manager  
2215 N 5<sup>th</sup> Street  
Elko, NV 89801

Dear Mr. Worley:

The Bureau of Land Management (BLM) has reviewed the *Gold Bar Sage Grouse Minor Modification NVN-091037, Reclamation Permit* (Minor Modification), received on May 18, 2018 from McEwen Mining, Inc. (MMI) for the Gold Bar Project Plan of Operations ((Plan) NVN-091037). This Minor Modification was submitted in accordance with BLM Surface Management Regulations at 43 CFR 3809.432(b).

McEwen Mining, Inc. is proposing a Minor Modification to the Gold Bar Project (NVN-091037) Plan to extend the compliance date for the implementation of the Proponent Driven Sage-Grouse mitigation. The Minor Modification does not constitute a substantive change from the action analyzed in the Final Environmental Impact Statement or approved in the Plan.

Pursuant to 43 CFR 3809.411(a)(3), an analysis of the proposed minor modification has been completed. BLM has determined that, in accordance with the National Environmental Policy Act (NEPA), a Determination of NEPA Adequacy (Tracking Number: DOI-BLM-NV-B010-2018-0006-DNA) is sufficient for the proposed Plan modification and hereby extends the compliance date for the Proponent Driven Sage-Grouse mitigation to September 30, 2019.

If you have any questions or would like additional information, please contact Rick Singer, Environmental Protection Specialist, at (775) 635-4067 or at the address above.

Sincerely,

For

Jon D. Sherve  
Field Manager  
Mount Lewis Field Office

STEVE SISOLAK  
Governor

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**STATE OF NEVADA**  
**Sagebrush Ecosystem Program**

August 23, 2019

Tom Williams  
Vice President of Environmental Affairs  
Fiore Gold – Gold Rock Mine  
8310 South Valley Highway, Suite 180  
Englewood, CO 80112

Mr. Williams:

I appreciate being able to participate in the most recent discussions concerning the mitigation associated with the expansion and operation of the Gold Rock Mine. I look forward to additional meetings with you and the staff from BLM and NDOW as we strive to achieve effective mitigation for the mining operation.

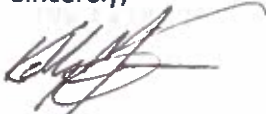
As you are likely aware, the Sagebrush Ecosystem Council adopted Mitigation Regulations on April 29, 2019. The regulation states that "Mitigation of residual direct or indirect anthropogenic impacts resulting in potential habitat loss or degradation as defined by the Nevada Greater Sage-Grouse Conservation Plan and the Nevada Conservation Credit System (CCS), within Greater Sage-Grouse Habitat Management Areas is required when the anthropogenic disturbance is subject to state or federal review, approval, or authorization, as ordered by Nevada Executive Order 2018-32, signed on December 7, 2018."

Although the Record of Decision for the Gold Rock Mine was signed prior to the Executive Order, we also acknowledge that within the Record of Decision, it states that "Within 90 days of issuance of the ROD, the BLM and the proponent, in coordination with NDOW and the SETT, will develop the offset mitigation implementation agreement for the selected mitigation option...no later than 90 days after issuance of the ROD." We look forward to continuing our participation in developing the mitigation implementation agreement for the selected mitigation option.

We intend to use the CCS to calculate the amount of credits developed within the mitigation sites to assess the mitigation achieved in comparison to the amount of debits produced by the mining activity that were also assessed using the CCS. This is an essential element in reporting to the federal agencies (especially the U.S. Fish and Wildlife Service as a part of any review conducted on the status of the Greater Sage-grouse) whether or not the minimum standard of "no-net-loss" is being achieved.

If you would like additional information on the CCS, please visit our website at [sagebrusheco.nv.gov](http://sagebrusheco.nv.gov), or contact me at the information below. I have also included a copy of the approved regulations for your review. I look forward to our continued collaborations as we strive to achieve conservation gains within Nevada's sagebrush ecosystem.

Sincerely,



Kelly McGowan, Program Manager  
201 S. Roop Street, Ste. 101  
Carson City, NV 89701  
775.684.8600  
[kmcgowan@sagebrusheco.nv.gov](mailto:kmcgowan@sagebrusheco.nv.gov)

CC: Maria Ryan, BLM; Alan Jenne, NDOW; Jon Raby, State Director, BLM  
Attachment: Mitigation Regulation

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Governor

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**Ethan Mower**, Agriculture  
**Katie Andrie**, Wildlife

**STATE OF NEVADA**  
**Sagebrush Ecosystem Program**

July 17, 2019

Klete Fallowfield  
Geologist/Environmental Specialist  
Haliburton Energy Services – Rossi Mine  
912 Dunphy Ranch Road  
Battle Mountain, NV 89820  
[Klete.fallowfield@halliburton.com](mailto:Klete.fallowfield@halliburton.com)

Mr. Fallowfield;

We were recently made aware of the Rossi Project and the associated Final Environmental Impact Statement (FEIS).

The State of Nevada's Sagebrush Ecosystem Technical Team (SETT) completed an initial desktop analysis of the proposed project that was analyzed through the NEPA process during the Draft EIS. Our analysis did not include site scale data collection and was conducted using version 1.3 of the Conservation Credit System's guidance documents. That analysis concluded that the approximate credit obligation would be 437 to 503 functional acres (debits) of Greater Sage-grouse (GRSG) habitat would be impacted by the project.

As you may be aware, the State of Nevada, through the Governor appointed Sagebrush Ecosystem Council, adopted regulations requiring mitigation of impacts to GRSG habitat on all public lands that are the result of certain anthropogenic disturbances. Specifically the regulations require "Mitigation of residual direct or indirect anthropogenic impacts resulting in potential habitat loss or degradation as defined by the Nevada Greater Sage-Grouse Conservation Plan and the Nevada Conservation Credit System, within Greater Sage-Grouse Habitat Management Areas is required when the anthropogenic disturbance is subject to state or federal review, approval, or authorization, as ordered by Nevada Executive Order 2018-32, signed on December 7, 2018."

Based on our conversations with the Bureau of Land Management State Office, we understand that it is the responsibility of the project proponent to comply with these state regulations in order to stay in compliance with NEPA, which requires adherence to all applicable state and local laws and regulations.

I would like to extend an invitation to you to meet with us at your earliest convenience to discuss the project, review our analysis of the impacts, and potential mitigation options using the CCS to ensure compliance. We are very sensitive to any timing concerns that you may have regarding how adherence to these regulations may or may not impact the project schedule. As such, we believe it important to meet soon so as to avoid any unnecessary delays.



I look forward to talking with you in more detail about our analysis and review potential mitigation options. My contact information is below and you can find more information regarding our program at [sagebrushco.nv.gov](http://sagebrushco.nv.gov).

Sincerely,



Kelly McGowan, Program Manager  
201 S. Roop Street, Ste. 101  
Carson City, NV 89701  
Office - 775.684.8600 ext. 28  
Cell - 775-461-6460  
kmcgowan@sagebrushco.nv.gov

CC: Janice Stadelman, BLM; Alan Jenne, NDOW

Attachments: Mitigation Regulation