

Water Conservation Plan

KGHM International - Robinson Nevada Mining Company (RNMC)

Non Transient-Non Community PWS NV0000855

KGHM

INTERNATIONAL

This plan describes the drinking water conservation and drought management efforts at Robinson Nevada Mining Company (RNMC) in accordance with Nevada Revised Statute (NRS) Chapters 540.121 thru 540.141.

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Water Conservation Plan

Robinson Mining Company – PWS NV0000855

Introduction:

RNMC operates a Non Transient-Non Community public water system (PWS NV0000855) located adjacent to Ruth, Nevada, approximately 5 miles west of Ely, NV. This operation is located in Middle Steptoe Valley of White Pine County and serves approximately 600 persons.

The potable water supply comes from a well located within mine property. The potable water system consists of one active well, flow control equipment, a fire water storage tank, a sodium hypochlorite addition system, a potable water tank (chlorinated), and conveyance piping to 14 service connections.

The active fresh well also supplies water to a fire water storage tank, which supplies non-chlorinated water to emergency sprinklers in the event of a fire. This firewater tank is the supply system for the potable water storage tank after the addition of sodium hypochlorite. These two tanks together act as an equalization system to control water based on supply and demand.

Company Information:

KGHM International Ltd.
Robinson Nevada Mining Company
P.O. Box 382
Ruth, NV 89319
P: 775-289-7000

Physical Plant Location

Robinson Nevada Mining Company
4232 W. White Pine County Rd. 44A
Ruth, NV 89319



Table 1 - Physical Plant Location

SECTION(S)	TOWNSHIP(S)	RANGE(S)
13, 23-26	16N	61E
2-24, 29, 30	16N	62E
7, 8, 17-20	16N	63E

Nevada Water Conservation Requirements:

Robinson Nevada Mining Company’s water conservation plan conforms to the required provisions of the Nevada Revised Statutes (NRS).

NRS 540.141 Required provisions of plan or joint plan of water conservation; review by Section; posting of plans and joint plans on Internet Website.

1. A plan or joint plan of water conservation submitted to the Section for review must include provisions relating to:

(a) Methods of public education to:

(1) Increase public awareness of the limited supply of water in this State and the need to conserve water.

- The attached Water Conservation Notice is posted around the mine site at locations where potable water is dispensed.

(2) Encourage reduction in the size of lawns and encourage the use of plants that are adapted to arid and semiarid climates.

- There are no laws on aesthetic shrubbery on the mine site. Any shrubbery on the mine site is native vegetation which was naturally sprouted.

(b) Specific conservation measures required to meet the needs of the service area, including but not limited to, any conservation measures required by law.

- Plumbing and associated fixtures are inspected for leakage. Damaged or leaking piping is reported to maintenance for repair or replacement.
- Waste water and mill process solution is discharged to the Tailings Impoundment. This water is reclaimed for use in mill processing at the Barge Operating Channel.
- Flow to the potable water tank is monitored daily to identify any spikes in usage, which would indicate leakage or unexpected water usage.
- Magnesium chloride is utilized as a dust suppressant 1-2 times per calendar year which reduces the amount of groundwater that must be applied.

(c) The management of water to:

(1) Identify and reduce leakage in water supplies, inaccuracies in water meter and high pressure in water supplies, and:

- Flow to the potable water tank is monitored daily to identify any spikes in usage, which would indicate leakage or unexpected water usage.

(2) Where applicable, increase the reuse of effluent.

- Waste water and mill process solution is discharged to the Tailings Impoundment. This

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water is reclaimed for use in mill processing at the Barge Operating Channel.

(d) A contingency plan for drought conditions that ensures a supply of potable water.

- The potable water supply is provided by groundwater wells. The levels in the potable groundwater wells are monitored regularly. No impacts are anticipated due to drought. However, in the event of a drought, potable water may be purchased from a licensed potable water supplier.

(e) A schedule for carrying out the plan or joint plan.

- The levels in the potable groundwater wells are monitored regularly. If any impacts were noted as affecting the potable wells, appropriate personnel would be informed of the condition and appropriate corrective/preventative measures would be undertaken. Employees may be notified through the use of plant wide email notifications.

(f) Measures to evaluate the effectiveness of the plan or joint plan.

- On site operational personnel will monitor operating conditions on a regular basis and implement changes accordingly.

(g) For each conservation measure specified in the plan or joint plan, an estimate of the amount of water that will be conserved each year as a result of the adoption of the plan or joint plan, stated in terms of gallons of water per person per day.

- Water conservation due to inspection and replacement of piping is variable based amount and extent of any leakage.
- Water will be reclaimed from the Tailings Barge Operating Channel at a rate of 2.5 – 3.0 million gallons per day.
- Water usage as a dust suppressant is expected to reduce by approximately 30% immediately following application of $MgCl_2$.

2. A plan or joint plan submitted for review must be accompanied by an analysis of:

- (a) The feasibility of charging variable rates for the use of water to encourage the conservation of water.**
- (b) How the rates that are proposed to be charged for the use of water in the plan or joint plan will maximize water conservation including, without limitation, an estimate of the manner in which the rates will affect consumption of water?**
- This section of NRS 540.141 is not applicable to RNMC. The water system is used only by employees and contractors of RNMC without usage fees.

NRS 540.151 Supplier of water required to adopt plan to provide certain incentives; procedures for adoption of plan; adoption of joint plans permitted.

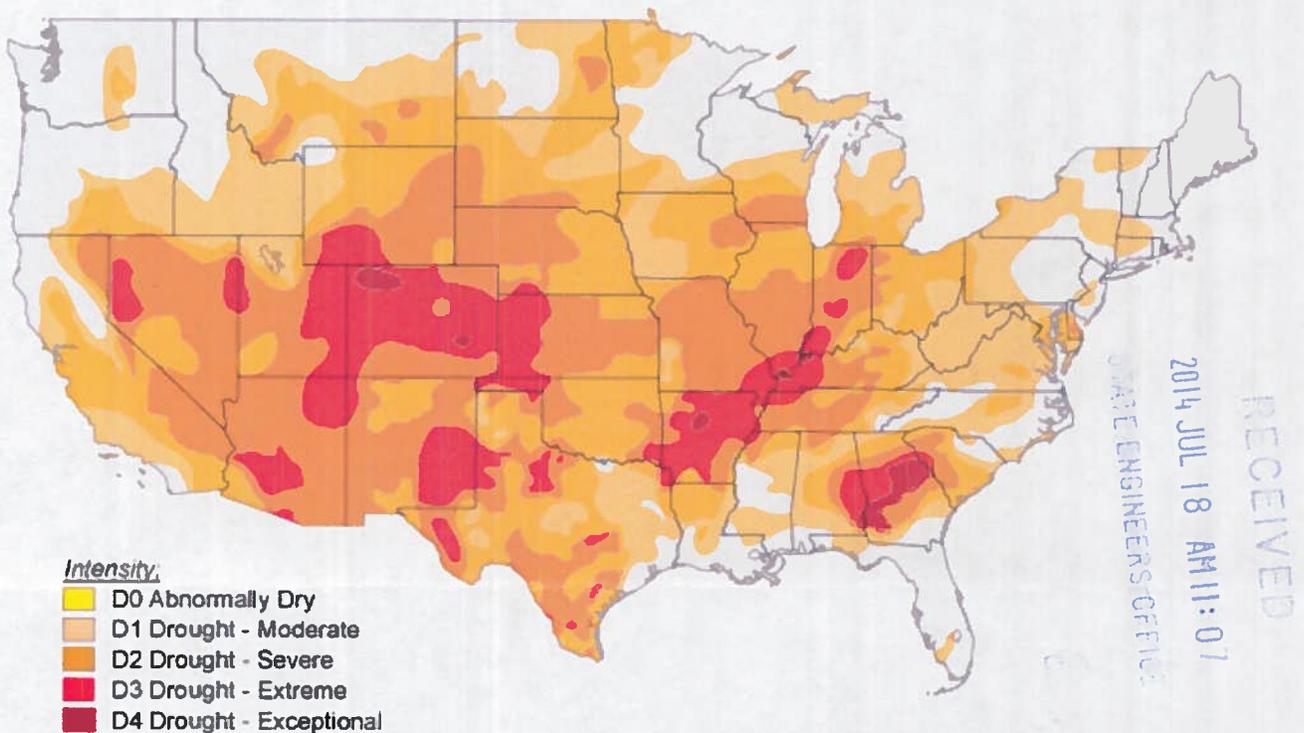
- NRS 540.151 addresses incentives related to water rates, which does not apply to this situation. RNMC does not supply water to paying customers. Any interested party is allowed the opportunity to provide written recommendations to amend this plan, with final revision authority resting with RNMC. This plan has been submitted to the Nevada Division of Water Resources for review and RNMC is available for State inspection to this plan during normal operating business hours.

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Water Conservation is Everyone's Responsibility

Nevada is one of the driest states in the United States and can be severely impacted by lower than normal rainfall or drought conditions. All Robinson employees should conserve water where possible.

- **Report any leaking or damaged plumbing fixtures to maintenance personnel or a supervisor.**
- **Make sure all faucets and showers are shut off when not in use.**
- **Avoid unnecessary usage of water.**



It is everyone's responsibility to conserve Nevada's water. Please be proactive in water conservation to preserve water for future generations.

**Robinson Nevada Mining Company
PWS # NV0000855
Water Conservation Notice**