

Date: May 9, 2002 Exhibit 8

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**Outline of DEQ Presentation on  
Status of the CR Kendall Mine  
For the May 9, 2002 EQC Meeting**

**Handout**

**Introduction**

**Water Quality**

**Water Treatment**

**Seepage Water**

**Current Treatment System**

**Process Water**

**Current Treatment System**

**MPDES Permit**

**Water Quantity**

**Final Reclamation Plan**

**Closure Plan EIS**

**EIS Schedule**

**Bonding**

**2002 Activities at the Mine**

**Logging**

**Erosion and Stormwater System Repairs**

**Vegetation and Soil Studies**

**Hydrology Studies**

**Barnes-King Tailings**

## **Chronology of Major Events at the CR Kendall Mine For the May 9, 2002 EQC Meeting**

9-14-84: Operating Permit #00122 is issued to Triad Investment, Inc.

4-22-87: Permit is assigned from Triad Investments to Grayhall Resources.

12-15-87: Permit is transferred from Grayhall Resources (bankrupt) to Canyon Resources.

11-1-89: Permit is assigned from Canyon Resources to Kendall Venture.

2-14-90: Permit is assigned from Kendall Venture to Canyon Resources.

January 1995. Ore removal ceases.

7-13-95: Permit transferred to CR Kendall (CRK).

5-13-96: CR Kendall installs a pumpback system to capture contaminated water at four locations.

10-31-97: DEQ receives an application from CRK under Water Quality Act for MPDES discharge permit for water not captured by pumpback system.

January 1998. Ore leaching ceases.

9-23-98: Notice of Violation and Administrative Order issued to CR Kendall to correct water quality violations. Order require CRK to meet interim WQ limits by 3-1-2000, final standards by 8-1-2001, and to submit a compliance plan.

9-30-98: DEQ files civil complaint for penalties for water quality violations.

2-11-99: CR Kendall submits a compliance plan

7-19-99: Interim water quality requirements established by DEQ

3-1-00: Interim water quality requirements met on this date.

5-10-00: DEQ issues Notice of Violation and Administrative Compliance Order, requiring replacement of water in drainages dewatered by the pumpback systems.

5-25-00: CRK submits a "flow augmentation proposal."

5-30-00: DEQ approves CRK's flow augmentation plan.

8-18-2000: DEQ notifies CRK of required changes in reclamation plan and of related proposed bond increase over the existing \$1.869 million surety bond.

9-14-00: CRK files administrative appeal of proposed bond increase.

9-18-00: CRK files administrative appeal of proposed reclamation plan amendments.

11-30-00: DEQ orders forfeiture of bond.

2-09-01: DEQ reaches settlement agreement with CRK and its surety and obtains cash payment of \$1.869 million from the surety.

3-8-01: CRK submits Amended Closure Plan

5-14-01—CRK submits complete application to amend reclamation plan. Proposed amendment would decrease depth of cover of regraded heap leach pads and provide mine water to down-gradient ranching operations.

8-1-01: Applicable water quality standards for all discharges required to be met by this date. All discharge parameters except for nitrate are below background levels and therefore compliance with Water Quality Act achieved for all parameters but nitrates.

Summer 2001: Soil and vegetation studies started at the mine site by DEQ.

8-21-01: Draft EA released on portion of reclamation plan dealing with reclamation of heap leach pads.

9-12-01: Agreement is reached in settlement of penalties for water quality violations. CRK agrees to pay penalty of \$13,200 in cash and \$178,200 in relinquished mineral rights (to be given to FWP).

2-8-02: Final EA and Decision Notice on proposed reclamation plan amendments. EA and Notice state that EIS is necessary.

Summer 2002: Soil, erosion, revegetation and hydrology studies to be conducted for preparation of EIS.

Winter, 2002-03: EIS to be prepared; reclamation plan to be revised.

Summer, 2003: Reclamation to occur.

**RECLAMATION PLAN  
FOR  
WASTE ROCK DUMPS AND HEAP LEACH PADS  
OVER TIME**

**1989 Plan**

**20" Topsoil**

**1995 Plan**

**10-14" Topsoil**

**18" Subsoil Substitute  
(Suitable Waste rock)**

**12" Coarse Drain Material  
(Pit-Run Limestone)**

**12" Compacted Clay  
(Minimum 80% Proctor)**

**1999 Plan**

**10" Topsoil**

**12" Subsoil Substitute  
(Suitable Waste rock)**

**June 2000 EA Plan**

**17" Topsoil**

**19" Subsoil Substitute  
(Suitable Waste rock)**

**August 2001 EA Plan**

**17" Topsoil**