

**FACT SHEET AND STATEMENT OF BASIS
UNDERGROUND INJECTION AND CONTROL (UIC) CLASS III AREA PERMIT**

UTU-37-AP-5D5F693

**FINANCIAL ASSURANCE AND
AQUIFER EXEMPTION FOR A PORTION OF THE
BC AQUIFER IN LOWER LISBON VALLEY**

DECEMBER 8, 2021

FACILITY CONTACTS

Person Name: George Shaw
Position: Director and Chairman
Phone Number: (435) 355-0755

Facility Name: Lisbon Valley Mining Company LLC
Organization Mailing Address: PO Box 400
Moab, UT 84532
Telephone: (435) 686-9950

Actual Address: Highway 191
La Sal, UT 84532

DESCRIPTION OF FACILITY

The Lisbon Valley Mine is currently an existing open pit heap leach copper mine and processing facility operated by Lisbon Valley Mining Company LLC (LVMC) and proposes to construct and operate Class III in-situ copper recovery injection wells in south central San Juan County, Utah about 20 miles north northeast of Monticello and east of Highway 191 to extend the life of the Lisbon Valley Mine and expand operations. LVMC plans to continue extraction of copper from ore within mineralized zones of a portion of the BC aquifer (including the Dakota and Burro Canyon Formations) generally between 200 and 900 feet below the ground's surface in Lower Lisbon Valley.

SUMMARY OF CHANGES FROM PREVIOUS PERMIT

The Utah Division of Water Quality (Division) has prepared this Draft Fact Sheet and Statement of Basis (FSSOB) for the draft Underground Injection Control (UIC) Class III Area Permit (Permit) for LVMC. Pursuant to the Utah UIC administrative rules in Utah Administrative Code R317-7 et. seq. and federal regulations in Title 40 of the Code of Federal Regulations (CFR) incorporated by R317-7-1 the purpose of this FSSOB is to briefly describe the principal facts and

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the significant factual, legal, methodological and policy questions considered in modification of the Permit.

After reviewing the public comments on the Permit and the Fact Sheet Statement of Basis (hereafter referred to as FSSOB), and associated documents in the permit record, DWQ has determined that more detail and specification are needed with respect to two aspects of the Permit: (1) the proposed Aquifer Exemption Request (Permit Attachment M) and (2) the proposed financial assurance mechanism (Permit Attachment J). Specifically, the Division requested that the operator obtain and provide a third-party financial assurance estimate. The estimate resulted in a modified financial assurance amount. In addition, the Division has revised the Aquifer Exemption Request to more clearly outline the basis for approval of the exemption request. The modified elements of the Permit (Attachments M and J) address previous public comments on the Permit. The Aquifer Exemption is subject to approval by the US Environmental Protection Agency (EPA) following public notice and comment.

The Division has identified aquifers that may be exempted as sources of underground drinking water following the procedures and based on the requirements outlined in [40 CFR 144.7](#) and [40 CFR 146.4](#). Public comments received by the Division will be incorporated into the exemption request record submitted to the EPA.

PERMIT DURATION

It is recommended that this permit be effective until December 31, 2026.

Purpose of the Statement of Basis and Fact Sheet

To meet these objectives, this FSSOB contains:

- Background information on the permit process and names and telephone numbers of contacts for additional information (listed on the first page of this FSSOB above);
- A description of the draft permit review process and public participation;
- A brief discussion of the facility and process;
- Basis for draft permit conditions;
- A brief discussion of Lisbon Valley's aquifer exemption request and approval process.

PUBLIC NOTICE

The modified Aquifer Exemption Request (Permit Attachment M) and (2) the proposed financial assurance mechanism (Permit Attachment J) have prepared by the Division for public notice and public comment. Public comments will be accepted by the Division for 30 days following the first day of public notice in the local newspaper that serves the affected community. A hearing may be held by the Division if public comments are substantial and the Draft Permit requires revision

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based on these comments.

Public Comment Began:

Ended:

Comments will be received at: 195 North 1950 West
PO Box 144870
Salt Lake City, UT 84114-4870
Via email at: dearley@utah.gov

The Public Notice of the modified Permit Attachments was published on the Division of Water Quality's website: <https://deq.utah.gov/public-notices-archive/water-quality-public-notices>.

ADDENDUM TO FSSOB

During finalization of the Permit certain dates, spelling edits and minor language corrections were completed. Due to the nature of these changes they were not considered Major and the Permit is not required to be re Public Noticed.

DWQ-2021-030506