

# **Pebble Project Inspection**

## **June 14, 2006**

### **Bill Cole**

Bill Cole and Kerwin Krause, of the Mining Section of the Department of Natural Resources, were accompanied by Cindy Anderson of OHMP, and Susan McNiel of the Department of Environmental Conservation for an inspection of the Pebble Project. We were greeted in Iliamna by Richard Moses, project manager for Northern Dynasty and our host at the Pebble project. Richard gave our group an overview of the project, then we flew out to the project area in Northern Dynasty's helicopters. We inspected a number of 2004 and 2005 drill sites from the air. All appeared to have been left in good condition, and appeared to be revegetating very well. (See photos #2 and 3.)



Photo #2. Taken 6/14/06. 2004 drill hole site at Pebble project.



Photo #3. Taken 6/14/06. 2005 drill hole location. Northern Dynasty built a camp with 8-10 small buildings for use in 2004. The facility is no longer used as a camp, but Northern dynasty has left the structures in place for storage and a possible shelter in bad weather. (See photo #4 below.)



Photo #4. Taken 6/14/06. 2004 camp site at Pebble.

In 2006 Northern Dynasty is operating three helicopter supported drills. (See photos #5, 6 and 7.) The company had planned to drill approximately 100,000 feet of hole, but due to difficulties in drilling will probably only manage 60-70,000 feet this season. Two holes, DH 6339 and DH 6340, have encountered artesian water. DH 6339 first encountered water at 1200' depth. Initial flow was only 2 gallons per minute, but increased to approximately 30 gallons per minute by 1475'. The water was discharged over a rocky area on a hill. From the air, the discharge appeared to have caused no harm.

The flow was stopped by grouting with a bentonite mud. DH 6340 produced 80-130 gallons per minute. Water was initially encountered at a depth of 150', and the flow increased to a depth of 275'. According to Richard Moses, this water is surface water that has infiltrated overburden. The well was still flowing during our visit. (See photos #7 and 8.) The water was clear. The flow has since been stopped by grouting with cement. Richard informs us that no water from either well entered wetlands or any moving surface water. No signs of damage were seen during our visit to the project.



Photo #5. Taken 6/14/06. Longyear drill rig on Pebble Prospect.



Photo #6. Taken 6/14/06. Mud pit for above drill site.



Photo #7. Taken 6/14/06. Drill on DH 6340.



Photo #8. Taken 6/14/06. Richard Moses with hose carrying artesian flow from DH 6340.