

PROGRAMMATIC AGREEMENT

**AMONG THE BUREAU OF LAND MANAGEMENT, BATTLE MOUNTAIN DISTRICT,
NEVADA DIVISION OF HISTORIC PRESERVATION AND ARCHEOLOGY,
AND THE ADVISORY COUNCIL ON HISTORIC PRESERVATION REGARDING
THE TREATMENT OF HISTORIC PROPERTIES DURING
MINERAL DEVELOPMENT ASSOCIATED WITH THE REONA PROJECT
BY BATTLE MOUNTAIN GOLD COMPANY**

WHEREAS, the Bureau of Land Management, Battle Mountain District, ("BLM") has determined that the development of the Reona Project operated by Battle Mountain Gold Company ("BMGC"), and situated in Lander County, Nevada, may have an effect upon the properties eligible for inclusion in the National Register of Historic places, and has consulted with the Nevada State Historic Preservation Officer ("SHPO") and the Advisory Council on Historic Preservation ("COUNCIL") pursuant to Section 800.13 of the regulations (36 CFR § 800) implementing Section 106 of the National Historic Preservation Act (16 U.S.C. 470(f), and

WHEREAS, BMGC, the operator of the Reona Project, participated in the consultation and has been invited to concur in this Programmatic Agreement, and

WHEREAS, this Programmatic Agreement is intended to cover all aspects of the Reona Project, and

WHEREAS, the definitions given in the Programmatic Agreement of August, 1990 among the Bureau of Land Management, Nevada State Office, Nevada Division of Historic Preservation and Archaeology, and the Advisory Council on Historic Preservation Regarding the Identification, Evaluation and Treatment of Historic Properties Throughout the State of Nevada on Lands managed by the Bureau of Land Management, Nevada State Office (BLM Statewide Agreement) are applicable throughout this Agreement;

NOW THEREFORE, the parties agree that development of the Reona Project shall be administered in accordance with the following stipulations to satisfy the BLM's Section 106 responsibilities for all individual projects undertaken at the Reona Project.

PURPOSE

The BMGC proposes to develop the Reona Project ("Undertaking") and to conduct mineral extraction activities which are multi-year in scope on a mix of public and private land. Cultural inventories have identified historic properties in the area of the undertaking which are eligible to the National Register of Historic Places (NRHP). Other historic properties have been identified in the area of the undertaking that may be determined to be eligible after

further evaluation.

The purpose of this Programmatic Agreement is to establish an understanding between the BLM, the COUNCIL, the SHPO, and BMGC as to how the consultation process under Section 106 of the National Historic Preservation Act will be implemented with regard to the Undertaking. The Programmatic Agreement ("Agreement") defines general and specific measures that will be undertaken by all parties to ensure that the mutual objectives and individual requirements of the National Historic Preservation Act are fulfilled.

INTENT

Subject to the limitations found in the BLM Statewide Agreement and guidelines in Stipulation A.3 of this Agreement, historic properties will be treated in such a way that effects are avoided or mitigated to the extent practicable, regardless of surface ownership.

AREA DESCRIPTIONS

The area of the Undertaking shall be defined as the Reona Project Cultural Resource Review Area (RPCRRA) as described in Appendix A.

Prior to conducting activities in the RPCRRA related to the proposed gold mining operations on lands that have not been disturbed by the existing gold mining operations or the pre-existing copper operations or within areas of known historic properties (regardless of ownership), BMGC shall submit to the BLM plans of operation or amendments to existing plans as appropriate for BLM's review under this agreement.

STIPULATIONS

The BLM shall ensure that the following stipulations are implemented:

A. Identification

1. Upon receipt of BMGC's proposed mine development plan of operations or any amendments to existing plans of operations, BLM shall seek to identify interested persons pursuant to 36 CFR § 800.1(c)(2) and 36 CFR § 800.4(a)(1)(iii).
2. The BLM shall ensure that appropriate cultural resource inventory of the area of potential effect (APE) of all activity areas or portions thereof, not previously inventoried is completed, and that appropriate reports are prepared.

3. The BLM shall ensure that an inventory of the APE of any activity area or portions thereof, not previously inventoried is completed in a manner consistent with the BLM Statewide Agreement and the BLM's *Cultural Resources Inventory General Guidelines* (4th edition, January 1990) or any subsequent edition issued by the BLM.
4. The BLM shall ensure that the inventory is conducted by BMGC in consultation with the BLM, and that an inventory report is submitted to the BLM by BMGC for the BLM's approval. The approved inventory report shall be submitted by the BLM to the SHPO, and interested persons as appropriate, for review and comment. BLM shall consult with the SHPO to resolve the eligibility of identified cultural resources per 36 CFR § 800.4(c).
5. The BLM shall ensure that the level, intensity and methods of recording cultural resources conform to the standards identified in Stipulation A.3.

B. Resolving Eligibility

1. Information gathered by the inventory process may be inadequate to allow determination of a cultural resource's eligibility for the National Register of Historic Places. In such case, the BLM may, after obtaining SHPO's concurrence on an evaluation plan which may include subsurface testing, authorize the plan under the mandates of the Archeological Resources Protection Act (16 U.S.C. 470).
2. In developing a subsurface evaluation plan for SHPO concurrence, the BLM shall ensure that any testing is limited to defining the nature, density and distribution of materials in potential historic properties. Subsurface testing is intended to provide the minimum data necessary to make final evaluations of NRHP eligibility and to devise treatment options responsive to the information potential of the historic properties.
3. Documentation of inventory and evaluation results, including eligibility recommendations, shall be reviewed by the BLM. Upon approval, the BLM shall forward this documentation to the SHPO for review and comment per 36 CFR § 800.4(C).
4. The BLM, in consultation with the SHPO, shall ensure that all cultural resources located within the APE of an activity area are evaluated for eligibility to the NRHP prior to the initiation of activities that may affect historic properties.
5. If the SHPO and the BLM disagree regarding the eligibility of properties for listing on the NRHP, the

BLM shall seek a formal determination of eligibility from the Keeper of the National Register in accordance with **36 CFR § 800.4**. The Keeper's determination will be considered final. **BMGC** will be kept informed of the progress in a timely manner.

C. Treatment

1. In developing treatment plans, the **BLM**, in consultation with **SHPO** and interested persons, shall determine the precise nature of effects that can be anticipated to the values of historic properties identified in the **APE** in accordance with **36 CFR § 800.5**. **BLM** shall ensure that **BMGC** seeks to avoid properties eligible for inclusion on the **NRHP** through design of project facilities, relocation of facilities, or by other means, to the extent practicable.
 2. Recognizing that avoidance may not be feasible or prudent, the **BLM**, in consultation with **SHPO**, **BMGC** and interested persons, shall ensure that **BMGC** develops an appropriate treatment plan designed to lessen or mitigate project-related effects to archaeological resources. For properties eligible under criteria A through D (**36 CFR § 60.4**) other forms of mitigation may be considered in the treatment plan in lieu of or in addition to data recovery (e.g. oral history, historic markers, exhibits, interpretive brochures or publications, etc.).
 3. When archaeological data recovery is the preferred treatment option for an eligible property or properties, the **BLM** shall ensure that **BMGC** develops a plan for the recovery of archeological data based on an appropriate research design and that the plan is submitted to the **SHPO** and **COUNCIL** as stipulated in H.2., for a concurrent 30-day review and comment period. Such data recovery plans and historic or architectural documentation (for historic sites eligible under criterion d) shall be consistent with the Secretary of the Interior's *Standards and Guidelines for Archaeology and Historic Preservation* (48 FR 44716-37) and shall conform to the **BLM** Statewide Agreement and guidelines noted in Stipulation A.3.
 4. If the **SHPO**, **COUNCIL** or an interested person objects to all or part of the proposed treatment plan, the **BLM** shall attempt to resolve the objection pursuant to Stipulation J. Upon completion of the consultation process, the **BLM** shall ensure that the treatment plan and any modifications to it resulting from the negotiations are implemented.
- 4(a) The **BLM** shall ensure that any human remains and grave-related artifacts encountered during data recovery are treated with

the respect due such evidence and according to federal law, and, to the extent not inconsistent with federal law, state laws and local ordinances.

4(b) The BLM shall ensure that all records and materials resulting from identification and treatment efforts are curated in accordance with 36 CFR § 79 by a BLM-approved facility in Nevada, and that all materials to be returned to their owners will be maintained in accordance with 36 CFR § 79 until the materials analysis is complete and the materials are returned.

- (1) Unless otherwise negotiated, all materials must be curated or returned to their owners when the final report is accepted by the BLM.
- (2) The BLM shall hold a surety bond from BMGC as specified in Stipulation ^I until curation is complete. _{OB}

4(c) The BLM shall ensure that all final archeological reports resulting from actions pursuant to this Agreement will be provided to the SHPO and COUNCIL, and made available to other interested parties, and to the National Technical Information Service (NTIS). The BLM shall ensure that all such reports are responsive to contemporary professional standards, and to the Department of Interior's *Formal Standards for Final Reports of Data Recovery Program* (42 FR 5377-79).

Precise locational data may be provided only in a separate index if it appears that release of locational data could jeopardize historic properties.

A draft final report shall be due as stated in Stipulation H.2. unless otherwise negotiated.

D. Discovery Situations

1. Cultural resources, not previously identified, which are discovered while conducting mining activities shall be subject to this Agreement. If such cultural resources are discovered, mining related activities within 100 meters of the discovered resources will cease immediately and BMGC shall notify the BLM authorized officer.
2. The BLM shall notify the SHPO and COUNCIL and consider SHPO's initial comments on the discovery. The COUNCIL may offer comments within two days of notification if it chooses. Within two working days of notification to the SHPO and COUNCIL, the BLM's decision whether to allow mining related activities to proceed or to seek mitigative measures for the discovered cultural resources per 36 CFR § 800.11.

shall notify BMGC, SHPO and interested persons, as appropriate, of the BLM's

3. If, in consultation with the **SHPO**, **BLM** determines that mitigation is appropriate, the **BLM** shall notify the **COUNCIL** of the proposed mitigative measures, and request comments from the **SHPO** and interested persons, as appropriate, on means of mitigating such properties. Any comments offered by the **SHPO** and interested persons will be documented and made available for public inspection. The **SHPO** and other interested persons as appropriate will provide **BLM** with comments in two working days so that they can be considered and the **BLM** can make a decision regarding the nature and extent of mitigative efforts within seven working days of **BLM**'s notification to **BMGC** of the need for mitigation. The **BLM** shall notify the **SHPO**, **COUNCIL** and interested persons of it's decision and shall ensure that such mitigative actions are implemented.
4. In the event an objection arises from the **SHPO** or interested persons, regarding a discovery or the means by which it will be treated, the **BLM** shall attempt to resolve the objection in accordance with Stipulation J.
5. The **BLM** shall ensure that reports of mitigation efforts for discovery situations are completed in a timely manner and conform to the Department of Interior's Formal Standards for *Final Reports of Data Recovery Program* (42 FR 5377-79). Drafts of such reports shall be submitted to the **SHPO** for a 30-day review and comment as stipulated in H.2. Final reports shall be submitted to the **SHPO**, **COUNCIL** and interested persons for informational purposes.
6. Mining activity in the area of the discovery will be halted until **BMGC** is notified by the **BLM** Authorized Officer that mitigation is complete and activities can resume.

E. Other Considerations

1. The **BLM** shall ensure that all stipulations of this Agreement are carried out by the **BLM**, **BMGC**, and all of its contractors or other personnel. Non-conformance to the stipulations of the Agreement shall invoke the non-compliance provisions of 43 CFR 3809 and may result in a letter of non-compliance or other litigative actions.
2. The **BLM** shall ensure that historic, architectural, and archaeological work conducted pursuant to this Agreement is carried out by, or under the direct supervision of persons meeting qualifications set forth in the Secretary of the Interior's *Professional Qualification Standards* (36 CFR § 61) and acceptable to the **BLM** to conduct an inventory and report the results to the **BLM**.

3. **BMGC**, in cooperation with the **BLM** and the **SHPO**, shall ensure that all its personnel, and all the personnel of its contractors, are directed not to engage in the illegal collection of historic and prehistoric materials. **BMGC** shall cooperate with the **BLM** to ensure compliance with the Archaeological Resources Protection Act of 1979 (16 U.S.C. 470).
4. **BMGC** shall bear the expense of identification, evaluation, and treatment of all historic properties directly or indirectly affected by **BMGC**-related activity to the extent that such properties are situated on land owned or controlled by **BMGC** as shown in Appendix A. Such costs shall include, but not be limited to, pre-field planning, field work, post-fieldwork analysis, research and report preparation, interim and summary report preparation, and costs associated with the curation of project documentation and artifact collections.

F. Reports and Monitoring

1. The **BLM**, the **SHPO**, and the **COUNCIL** may monitor actions carried out pursuant to this Agreement, and the **COUNCIL** shall review such actions when so requested. The **BLM** shall submit a monitoring report for the **SHPO** and the **COUNCIL** at least every 12 months. This report will assist the **SHPO** and the **COUNCIL** in monitoring actions carried out under this Agreement and provide a basis for review. The reporting year shall conform to the federal fiscal year and the report will be submitted to the **SHPO** and the **COUNCIL** by June 1st of the year following the fiscal year under review.

G. Notices to Proceed

1. Notices to Proceed (NTP) may be issued by the **BLM** to **BMGC** under any of the following conditions.
 - (a) the **APE** has been inventoried and **BLM** and **SHPO** have determined that there are no historic properties within the **APE**.
 - (b) evaluation of potentially eligible sites has been conducted and **BLM** and **SHPO** have determined that the site(s) are not eligible.
 - (c) a treatment option for historic properties affected by the activity has been approved by the **BLM** after consultation with the **SHPO** and interested persons; and,
2. If the treatment option selected for historic property requires fieldwork to be performed, the **BLM** may authorize **BMGC** to proceed with the specific mining activities that would affect the historic property after:

(a) the fieldwork phase of the treatment option has been completed; and,

(b) the BLM has accepted a summary description of the fieldwork performed and a reporting schedule for that work; and

(c) BMGC has posted a surety acceptable to the BLM as stipulated in I. below for post-fieldwork costs of the treatment plan.

H. Time Frames

1. Inventory: The BLM shall review and comment on the results of any cultural resources inventory submitted by BMGC within the time frames indicated in the BLM's *Cultural Resources Inventory General Guidelines* (4th edition, January 1990) or any subsequent edition issued by the BLM.
2. Consultation: The BLM shall submit the results of all identification and evaluation efforts, including discovery situations, and treatment plans to the SHPO, COUNCIL and interested persons for a 30-day concurrent review and comment period. If the SHPO, COUNCIL or interested persons do not respond to the BLM within 30 days of receipt of a submittal, the BLM shall presume concurrence with the BLM's findings and recommendations as detailed in the submittal. The concurring party, BMGC, will be apprised by the BLM as to the status of these efforts.
3. Reports: A draft final report of all identification, evaluation, treatment or other mitigative activities will be due to the BLM within 9 months after the completion of the fieldwork associated with the activity, unless otherwise negotiated. The concurring party, BMGC, will be apprised by the BLM as to the status of the draft reviews.
4. Curation: All records, photographs, maps, field notes, artifacts, and other materials collected or developed for any identification, evaluation, or treatment activities will be curated in a facility approved by the BLM at the time the final report associated with that activity is accepted by the BLM, unless materials and artifacts must be returned to the owner.

I. Surety Bonds

1. BMGC will post a surety with the BLM in an amount sufficient to cover all post-fieldwork costs associated with implementing a treatment plan or other mitigative activities, as negotiated by BMGC where they contract for

services in support of this Agreement. Such costs may include, but are not limited to post-field analysis, research and report preparation, interim and summary reports preparation, and the curation of project documentation and artifact collections in a BLM-approved curation facility. The surety shall be posted prior to BLM issuing a notice to proceed.

2. The surety posted shall be subject to forfeiture if the post-fieldwork tasks are not completed within the time period established by the treatment option selected; provided, however, that the BLM and BMGC may agree to extend any such time periods. The BLM shall notify BMGC that the surety is subject to forfeiture and shall allow BMGC 15 days to respond before action is taken to forfeit the surety.
3. The surety shall be released, in whole or in part, as specific post-fieldwork tasks are completed and accepted by the BLM.

J. Dispute Resolution

1. If the SHPO issues an objection regarding a matter submitted by the BLM for review, the BLM shall consult with the SHPO to resolve the objection. If then, either party determines that the objection cannot be resolved, the BLM shall request the comments of the COUNCIL. The COUNCIL shall provide its comments, if any, within 30 days after receipt of the request from the BLM. Any COUNCIL comment provided in response to such a request will be taken into account by the BLM and the BLM will notify the COUNCIL and SHPO of its decision. The BLM's responsibility to carry out all actions under this Agreement that are not the subject of the dispute will remain unchanged.
2. If an objection is raised by a representative of local government, or a member of the public, the BLM shall take the objection into account and consult as needed with the objecting party and the SHPO in an attempt to resolve the objection. If the BLM determines that the objection cannot be resolved, it shall request the comments of the COUNCIL. The COUNCIL shall provide its comments, if any, within 30 days after receipt of the request from the BLM. Any COUNCIL comment provided in response to such a request will be taken into account by the BLM and the BLM will notify the COUNCIL, SHPO and objecting party of its decision. The BLM's responsibility to carry out all actions under this Agreement that are not the subject of the dispute will remain unchanged. ^{will} CB

K. Amendment

1. Any party to this Agreement may request that this Agreement be amended, whereupon the parties will consult in accordance with 36 CFR § 800.13 to consider such amendment.

L. Termination

1. Any party to this Agreement may terminate the Agreement by providing thirty (30) days notice to the other parties, provided that the parties will consult during the period prior to termination to seek agreement on amendments or other actions that would avoid termination. In the event of a termination, the BLM will comply with 36 CFR §§ 800.4 through 800.6 with regard to individual actions covered by the Agreement.

M. Execution

1. Execution and implementation of this Agreement evidences that the BLM has afforded the COUNCIL a reasonable opportunity to comment on the Undertaking and its effects on historic properties and that BLM has satisfied its Section 106 responsibilities for all individual actions associated with the development of the Reona Project. OB
2. In the event that the BLM does not carry out the requirements of this Agreement, the BLM shall comply with 36 CFR §§ 800.4 through 800.6 with regard to individual actions covered by this agreement.
3. This agreement shall become effective on the date of the last signature below, and shall remain effective, unless earlier terminated as provided in Stipulation I, until the later of a date of 20 years from the effective date or until the development of the Reona Project, including all exploration, mining, and reclamation, is complete.

CONSULTING PARTIES:

ADVISORY COUNCIL ON HISTORIC PRESERVATION

By: Robert D. Bush Date: 3-17-94
Title: Executive Director

BUREAU OF LAND MANAGEMENT

By: Jama D. Curran Date: 1/14/94
Title: Battle Mountain District Manager

NEVADA STATE HISTORIC PRESERVATION OFFICER

By: Alie M. Baldrice Date: 2/7/94
Title: ^{Deputy} State historic Preservation Officer

CONCURRING PARTY:

BATTLE MOUNTAIN GOLD COMPANY

By: D. Robertson Date: 12-3-93
Title: Operations Manager

APPENDIX A

Battle Mountain Gold Company Cultural Resource Review Area

The Reona Project Cultural Resource Review Area (RPCRRA) shall consist of all property within the boundaries depicted on the attached Figure 1 and any other property in which **BMGC** acquires ownership or control for use in development of the Reona Project. The parties agree that Figure 1 shall be amended from time to time as may be necessary to include any additional property acquired by **BMGC** for use in the development of the Reona Project.

The parties acknowledge that the property owned or controlled by **BMGC** is comprised of private and patented land either owned or controlled by **BMGC** and public land administered by the **BLM** on which **BMGC** controls for use in development of the Reona Project. The current property owned or controlled by **BMGC** consists primarily of contiguous and not-contiguous patented and unpatented mining and millsite claims which comprise the Battle Mountain Mining District as depicted on Figure 2.

APPENDIX B

SEQUENTIAL PLANNING

The Area of Potential Effect (APE) encompasses identified historic properties, not all of which need to be dealt with immediately upon the initiation of a specific mineral development project. Therefore, for those identified historic properties, a general schedule of events for evaluating and treating those properties is outlined. Timing of appropriate evaluation and treatment of historic properties will occur in advance of proposed development activities and future exploration activities as described in the BLM-approved BMGC Plan of Operations (POO).

For BMGC POO development and exploration activities occurring on lands (regardless of surface ownership) within the RPCRRA that have been previously inventoried:

1. BMGC shall notify the BLM prior to initiating activities which may affect a property or properties determined eligible for the NRHP. Potential effects to properties will be determined by the BLM.
2. Upon receipt of a notification regarding potentially eligible properties, BLM will require that an evaluation program, which may include subsurface testing, be approved by the BLM and implemented by BMGC, and that a report shall be reviewed by the BLM, in consultation with the SHPO to determine eligibility. *assessing eligibility be prepared. Eligibility recommendations presented in the report*
3. Upon receipt of a notification regarding properties that have already been determined to be eligible, the BLM will, in consultation with the SHPO, interested persons and BMGC, select a treatment option.
4. Where fieldwork is required by the treatment plan, BLM may issue BMGC a Notice to Proceed (NTP) with mining operations in the activity area after:
 - (a) the fieldwork phase of the treatment plan has been completed;
 - (b) a summary of the fieldwork has been accepted by BLM; and,
 - (c) BMGC has provided a surety for post-fieldwork costs acceptable by BLM as stipulated in I.

For **BMGC POO** development activities or future exploration activities proposed to occur on lands (regardless of ownership) within the **RPCRRA** that have not been previously inventoried:

5. **BMGC** shall retain a qualified archaeologist, ^{or architectural} historian ^{historian} meeting the Secretary of the Interior's *Professional Qualification Standards* (36 CFR § 61) and acceptable to the **BLM** to conduct an inventory and report the results to the **BLM**.
6. The **BLM**, in consultation with the **SHPO**, shall review the inventory report for the **APE** of an activity area and shall determine if it contains cultural resources eligible for inclusion on the **NRHP** per 36 CFR § 800.4.
7. If no cultural resources are identified, the **BLM** may authorize **BMGC** to proceed in the **APE** of the activity area and notify **SHPO** and any interested persons of **BLM's** decision to authorize the activity per 36 CFR § 800.4(d).
8. If, ^{or} after consultation with the **SHPO**, the cultural resources in the **APE** of an activity area are determined not eligible for inclusion ⁱⁿ of the **NRHP**, the **BLM** may authorize **BMGC** to proceed in the **APE** of that activity area per 36 CFR § 800.4(d).
9. For any historic properties identified in the **APE** of the activity area that are determined to be eligible to the **NRHP**, the procedures outlined in 1 through 4 above will be followed.

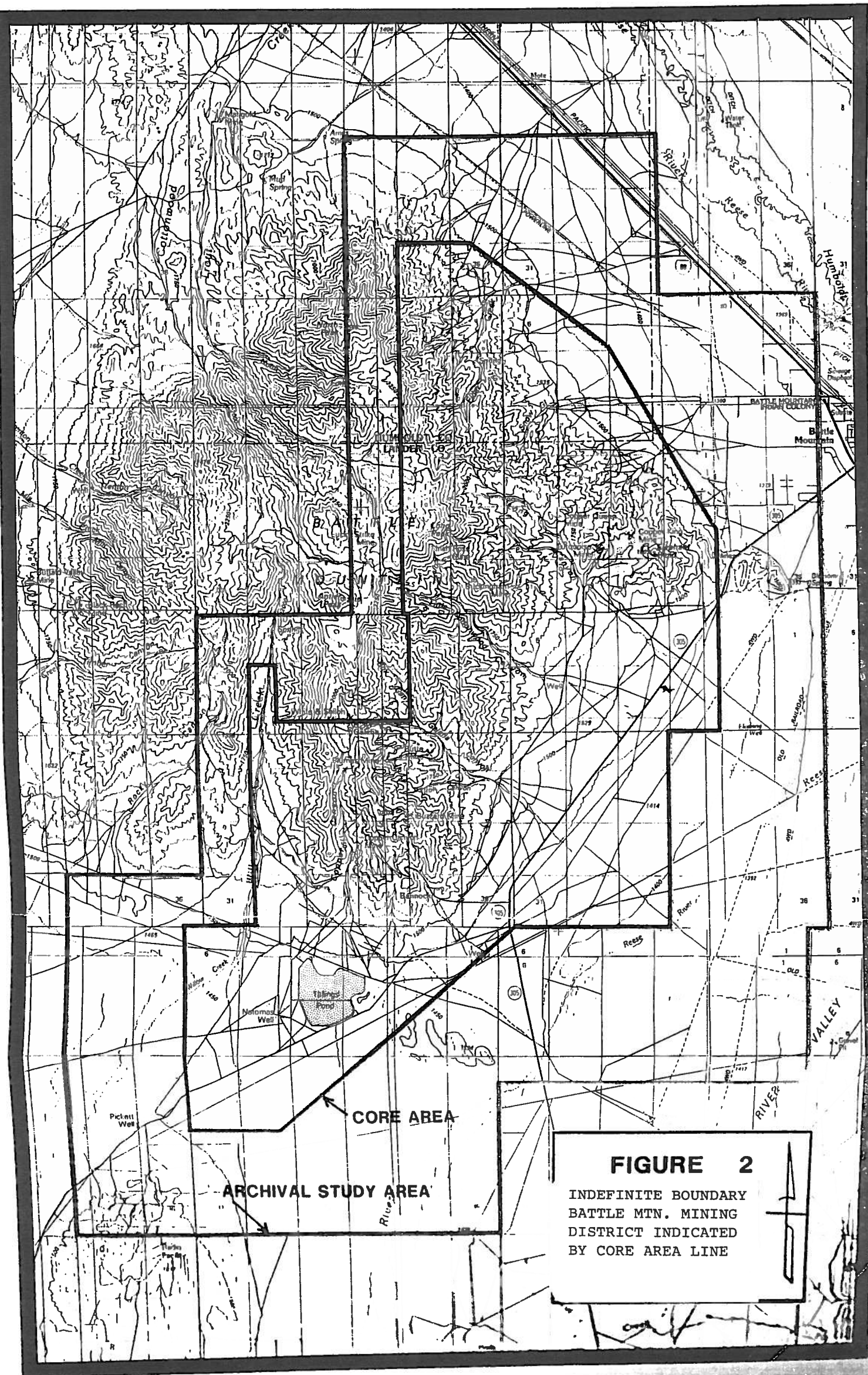


FIGURE 2
 INDEFINITE BOUNDARY
 BATTLE MTN. MINING
 DISTRICT INDICATED
 BY CORE AREA LINE