

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
CENTRAL VALLEY REGION

11020 Sun Center Drive, #200, Rancho Cordova, California 95670-6114

PUBLIC HEARING

concerning

WASTE DISCHARGE REQUIREMENTS
FOR
USECC GOLD LIMITED LIABILITY COMPANY
SUTTER GOLD MINING COMPANY
SUTTER GOLD MINING INC.
U.S. ENERGY CORP
PROPERTY OWNERS
FOR
LINCOLN MINE PROJECT
CONSTRUCTION OF WASTE PILES AND EXPANDED MINING OPERATIONS
AMADOR COUNTY

These Waste Discharge Requirements (WDRs) revise the property ownership of WDRs Order No. R5-2005-0164. Ownership of Assessor Parcel 015-210-023 has changed from the Littlefield Family to the Sutter Gold Mining Company. No other significant change has occurred to these WDRs.

Sutter Gold Mine Company (a subsidiary of U.S. Energy Corporation), in conjunction with numerous landowners, plans to operate an underground gold mine approximately one mile north of the town of Sutter Creek. Highly mineralized ore and some surrounding wall rock from underground workings will be removed and processed at a mill near the portal. High-grade ore will be concentrated and transported to another facility for processing. The mining waste from the milling process will be discharged in a slurry form to a lined tailing pond (surface fill unit), while the coarser material will be encapsulated in concrete and placed back into the mine.

A public hearing concerning this matter will be held during the Regional Board meeting which is scheduled for:

DATE: 25 and 26 January 2007
TIME: 8:30 a.m.
PLACE: 11020 Sun Center Drive, #200
Rancho Cordova, California 95670-6114

The designated parties for this hearing are as follows:

- Staff of Central Valley Regional Board
- Sutter Gold Mining Company
- Property Owners

Only designated parties will have these rights: to call and examine witnesses; to introduce exhibits; to cross-examine opposing witnesses; to impeach any witness; and to rebut the evidence against him or her. All other persons wishing to testify or provide comments are interested persons and not designated parties. Such interested persons may request status as a designated party for purposes of this hearing by submitting such request in writing to the

NOTICE OF PUBLIC HEARING
SUTTER GOLD MINING COMPANY
SUTTER GOLD MINE
AMADOR COUNTY

- 2 -

Board no later than **27 December 2006**. The request must explain the basis for status as a designated party and in particular how the person is directly affected by the discharge.

Persons wishing to comment on this noticed hearing item shall submit testimony, evidence, if any, and/or comments in writing to the Regional Board no later than **27 December 2006**. Written evidence or comments submitted after **27 December 2006** will not be accepted and will not be incorporated into the administrative record if doing so would prejudice any party.

All designated parties and interested persons may speak at the Regional Board meeting, and are expected to orally summarize their written submittals. Oral testimony and cross examination will be limited in time by the Board Chair

Anyone having questions on the revised Waste Discharge Requirements should contact Victor Izzo at (916) 464-4626. Interested parties may download the proposed Order and related documents from the Regional Board's Internet website at <http://www.waterboards.ca.gov/centralvalley/tentative/>. Copies of these documents can also be obtained by contacting or visiting the Regional Board's office at 11020 Sun Center Drive, #200, Rancho Cordova, California 95670-6114 weekdays between 8:00 a.m. and 5:00 p.m.

The procedures governing Regional Water Board meetings may be found at Title 23, California Code of Regulations, Section 647 et seq. and are available upon request. Hearings before the Regional Water Board are not conducted pursuant to Government Code section 11500 et seq. The procedures may be obtained by accessing http://www.waterboards.ca.gov/water_laws/. Information on meeting and hearing procedures is also available on the Regional Board's website at http://www.waterboards.ca.gov/centralvalley/board_meetings/mtgprocd.html or by contacting any one of the Board's offices. Questions regarding such procedures should be directed to Ms. Janice Tanaka at (916) 464-4839.

The hearing facilities will be accessible to persons with disabilities. Individuals requiring special accommodations are requested to contact Ms. Janice Tanaka at (916) 464-4839 at least 5 working days prior to the meeting. TTY users may contact the California Relay Service at 1-800-735-2929 or voice line at 1-800-735-2922.

Please bring the above information to the attention of anyone you know who would be interested in this matter.

Original Signed By _____
Jack E. Del Conte, Assistant Executive Officer

21 November 2006