#### RECEIVED

# Hydrogeologic Assessment Approach Combined water rights on file with the Oregon Water Resources Department CReviewed geologic and hydrogeologic data

- Drilled and geologically logged three test wells to define site hydrogeologic conditions
- Completed aquifer tests on these wells to assess aquifer characteristics
- Estimated potential groundwater inflows and identified potential recharge trench and monitoring well locations

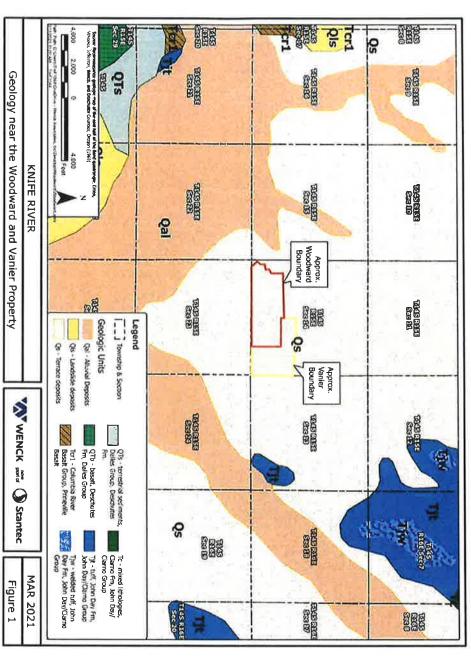
to address reclamation concerns

Evaluated reclamation plans and options

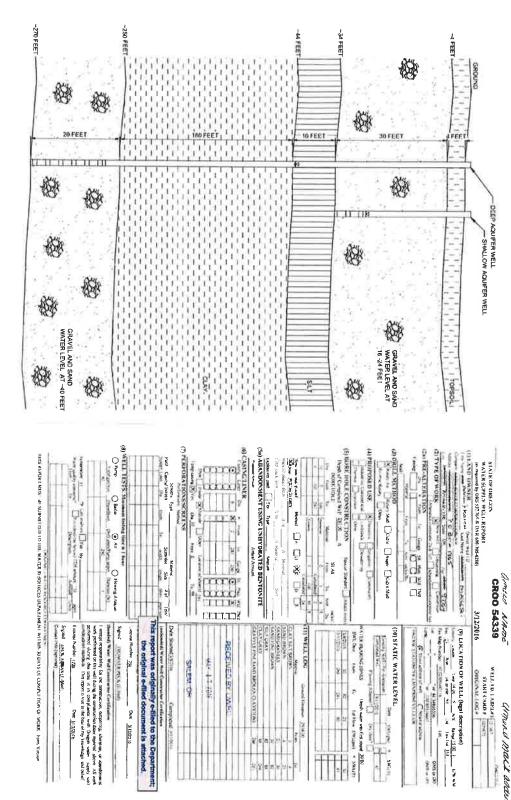




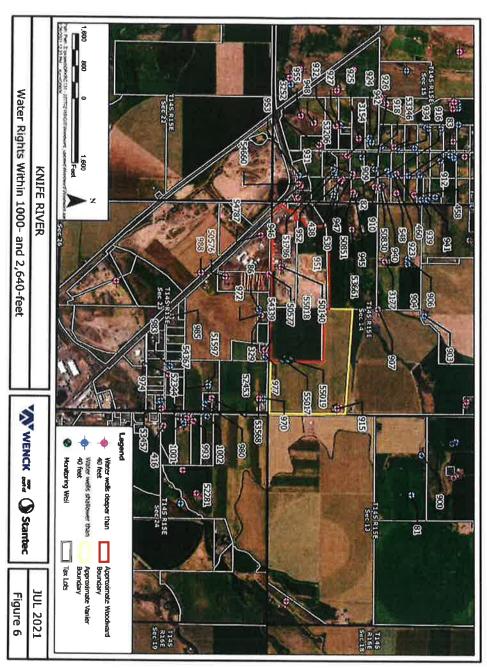
#### Geologic Setting



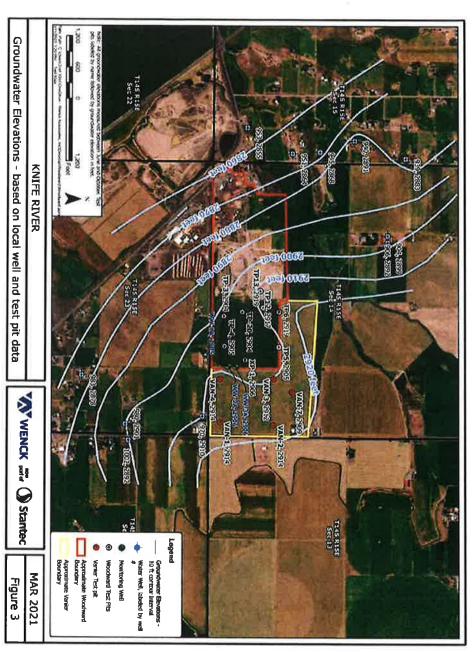
### Terrace Deposits - Aquifer Configuration



#### Local Water Wells



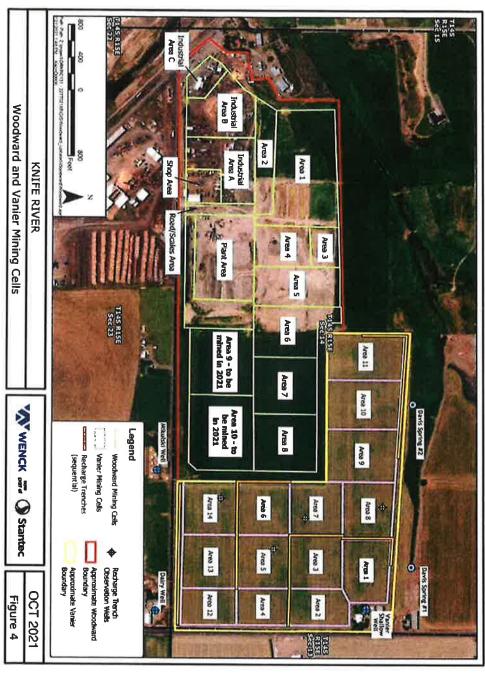
#### Groundwater Flow



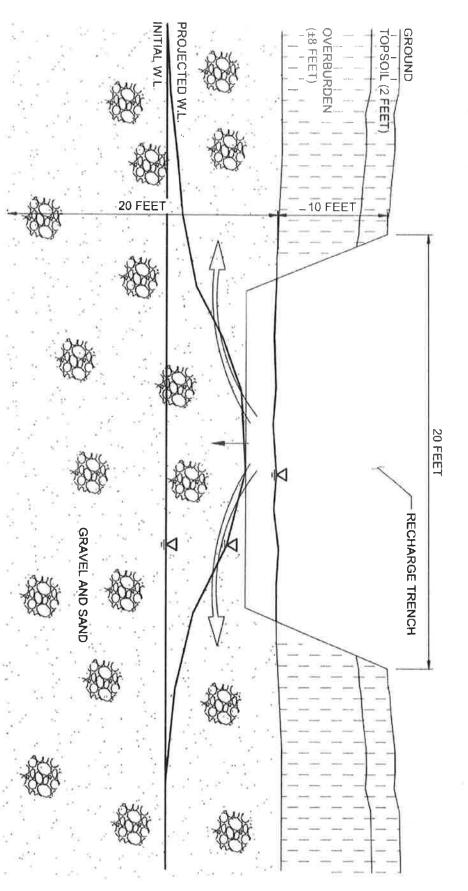
# Well Drilling and Aquifer Testing – WW1A



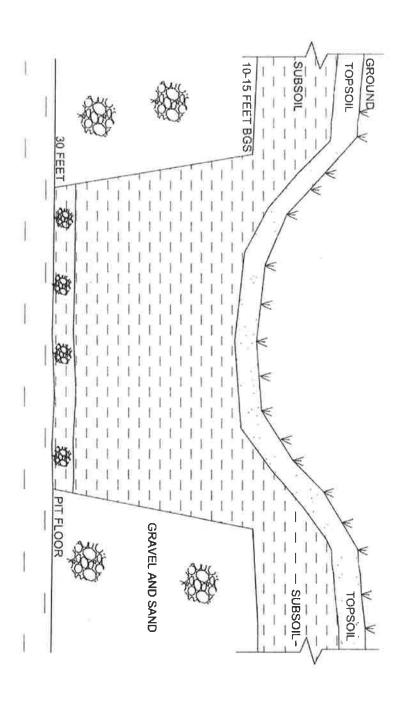
# Recharge Trenches and Monitoring Wells



### Recharge Trench Approach



### Reclaimed Mining Cell



### Findings and Recommendations

- Mining will remove water only from the uppermost aquifer and given our proposed mine plan, including the construction of a recharge trench, Knife River's operation will mitigate any operational impacts to groundwater and will not impact neighboring water rights.
- Knife River has committed to collect baseline data on five nearby groundwater sources (three shallow wells and two springs) and will install and monitor wells adjacent to their mining operation and recharge trench.
- Knife River has proposed a groundwater guarantee
- Potential groundwater inflows to Vanier may range up to approximately 290 gpm on the eastern edge of the property and diminish to the west. Lesser flows may be encountered, and may range from 13 to 60 gpm. Mine plan design will ensure minimal open face and contemporaneous reclamation
- Knife River will backfill mine cells immediately following mining. A certain volume of clastics (sand and gravel) will always remain on the pit floor. Overburden will be backfilled under dewatered conditions which allows for a progressive backfill program. The upper overburden lift will be ripped to remove compaction before placement of topsoil. Topsoil will be disked and seeded during appropriate seeding window. Fertilizer (manure or organic matter) will be added as necessary.
- No new materials will be introduced. Existing topsoil will be salvaged separately and immediately replaced. Water quality will not be impacted. Water quantity will not be impacted. If anything irrigation demand will be reduced. Reclamation success has been established based on material handling program. Overburden quality is suitable as subsoil