

May 18, 2006

CERTIFIED MAIL

James Slade, President
Liberty Mining & Exploration, LLC
PO Box 765
Cle Elum, WA 98922

Dear Mr. Slade:

**RE: Notice of Temporary State Waste Discharge Permit No. ST-9256
for Old Town Mine, Effective May 18, 2006**

Your application for State Waste Discharge Permit No. ST-9256 for Old Town Mine, was received by this office on May 28, 2004. It was reviewed and accepted as complete on August 16, 2005.

A Public Notice of Application was published on August 31, and September 7, 2005, in the Ellensburg Daily Record and the public comment period ended October 7, 2005, with no comments being received. Your temporary permit could not be issued at that time because the application fee had not been submitted.

Given our limited resources, we are unable to process your application at this time. **RCW 90.48.200 states, "In the event of failure of the Department to act upon an application within sixty days after it has been filed, the applicant shall be deemed to have a temporary permit. Said permit shall authorize the applicant to discharge waste into waters of the State as requested in its application only until such time as the Department shall have taken action upon said application."**

Therefore, as RCW 90.48.200 and WAC 173-216-090 provide, your new Temporary Permit became effective May 18, 2006, after receipt of the application fees. It will remain in force for up to five years or until further notice by the Department, whichever occurs first. The Department will undertake writing a full permit as time allows. At that time we will contact you to discuss any changes in operation and to do a site visit.

Your temporary permit consists of the permit application, all appendices submitted with it and Appendix A, Water Quality Monitoring Plan. Compliance with the application and the

James Slade, President
Liberty Mining & Exploration, LLC
May 18, 2006
Page 2

appendices will constitute compliance with the temporary permit. Included with the temporary permit are DMR forms to your use in complying with Appendix A Water Quality Monitoring Plan.

This authorization does not allow you to discharge pollutants not specified in your application and attachments or in quantities exceeding those specified in your application or appendices. You are also required to comply with all water pollution laws and regulations. A new application is required in five years.

Under the Model Toxics Control Act, codified as RCW 90.48.465, Ecology is required to recover the cost of the Water Quality Permit Program. Ecology has adopted a regulation (Chapter 173-224 WAC) establishing annual permit fees for all municipal/domestic and industrial wastewater discharge permit holders. Your Temporary Permit is subject to this fee.

Your permit fee is subject to the fee schedule in Chapter 173-224 WAC, Fee category: Ore Mining; Subcategory: a. Ore mining. The year 2006 fee is \$\$2,829.00. Permit fee billing will be in a separate mailing from the Ecology Fee Unit.

If you have any questions or need assistance, please feel free to contact Bob Raforth at 509/457-7113.

Sincerely,

Richard J. Frye
Acting Section Manager
Water Quality Program

Enclosures: DMR Forms
Appendix A Water Quality Monitoring Plan

c: JoAnne Homuth, USFS-Cle Elum Ranger District
Bev Poston, Ecology-Olympia
Joe Ortiz, Ecology-Yakima
Cindy Huwe, Ecology-Yakima
Bob Raforth, Ecology-Yakima